

**Methamphetamine Recommendation Report
Calendar Year 2012**

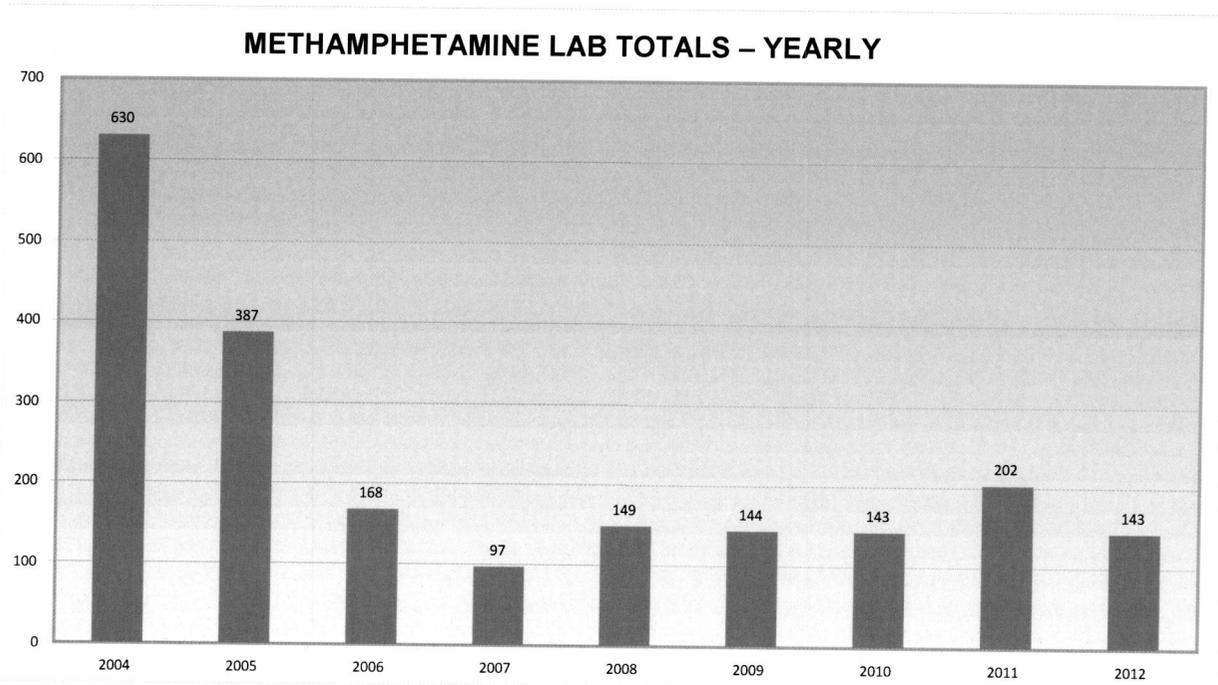
January 31, 2013

(As required by K.S.A. 75-722)

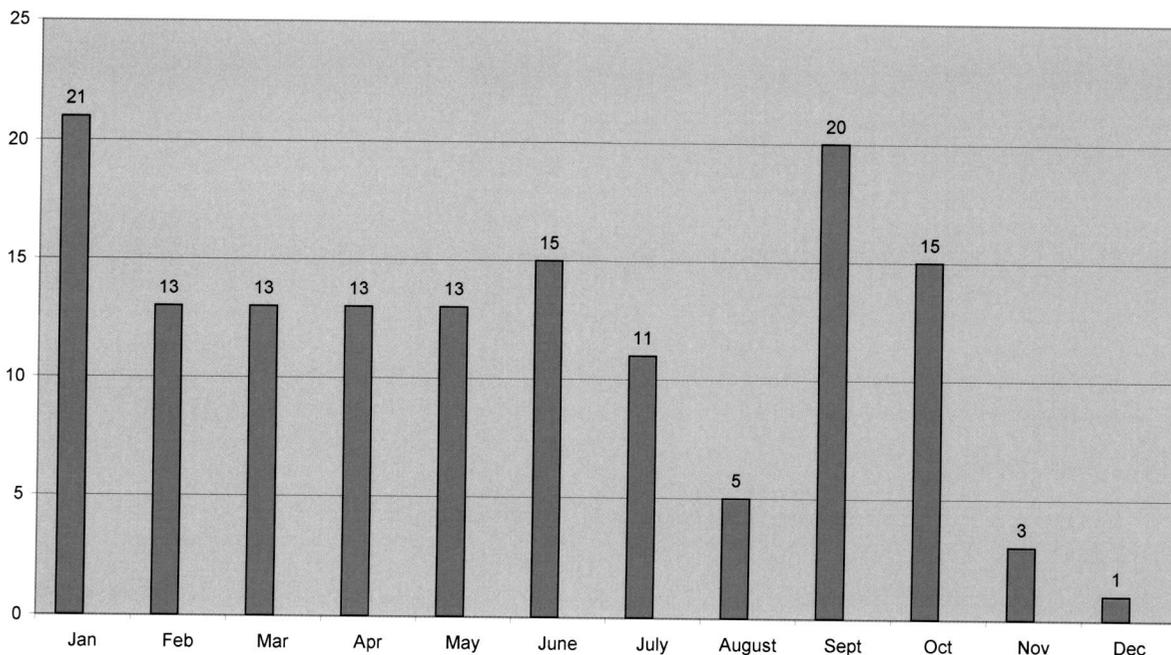
In 2005, the Kansas legislature passed S.B. 27, the Sheriff Matt Samuels Act, to restrict access to the precursor chemicals ephedrine and pseudoephedrine, used to manufacture methamphetamine. Section 4 of the Act, now K.S.A. 75-722, requires the Kansas Bureau of Investigation (KBI) to gather information and consult with local law enforcement agencies regarding trends seen in the manufacture of methamphetamine; and, after consulting with the state board of pharmacy, develop recommendations concerning the control of ephedrine and pseudoephedrine.

Methamphetamine in Kansas

As noted in the graph below, Kansas law enforcement reported 143 meth lab incidents in 2012. This total represents a slight decrease over the reported meth lab seizures from 2011.



Kansas Meth Lab Seizures- Monthly 2012



Meth Precursor Electronic Logs

In 2009, the Kansas Board of Pharmacy, under statute K.S.A. 65-16,101 was tasked with establishing an electronic precursor log for pharmacies to use in registering the sale of pseudoephedrine, ephedrine or phenylpropanolamine. In April 2011, the Board of Pharmacy implemented the National Precursor Log Exchange (NPLEx) as the States' electronic precursor monitoring program. The KBI is the State Administrator for Kansas law enforcement, serving as the liaison for training and law enforcement access. Kansas has 228 law enforcement officers across the state registered to access the electronic logbook.

The NPLEx system maintains a single database of all pseudoephedrine purchases, providing pharmacists with access to customer purchasing history before proceeding with a sale. A stop sale mechanism notifies the pharmacist if a customer attempts a purchase in excess of the legal limit. Information captured in the electronic system is made available to law enforcement agencies and can be used to generate investigative leads and support prosecutions.

According to NPLEx, during the calendar year of 2012, approximately 441,315 purchases of cold medication containing pseudoephedrine were made. This resulted in 974,005 total grams of pseudoephedrine purchased. Pharmacists denied the sale of approximately 25,904 grams of cold medicine containing pseudoephedrine.

Attempts to Overcome Limitations

"Smurfing" is the practice of an individual or groups purchasing the legally allowable amount of cold medicine containing pseudoephedrine at one store, then continuing with successive purchases at other stores. The electronic monitoring of unlawful amounts of Pseudoephedrine, or PSE, is the mechanism to reduce this practice. However, some "smurfers" are able to circumvent electronic tracking systems by purchasing legal limits under numerous identities. Recent law enforcement intelligence has revealed that persons not directly associated with meth manufacturing are being recruited to purchase pseudoephedrine on behalf of meth manufacturers. These paid "smurfers" purchase cold medicine at retail cost (generally less than \$10.00 per box) and in turn sell the cold medicine to meth manufacturers for a profit of up to \$75.00 per box.

The KBI is researching an intelligence system developed by the Tennessee Meth Task Force that aids in the identification of "smurfing" groups. To date,, law enforcement has to individually search names and purchase history detail in an effort to try and identify "smurfing" groups. Though the records are now managed electronically, the process remains labor intensive and time consuming. The KBI is partnering with Tennessee to evaluate the system and determine if it is a viable tool for Kansas law enforcement. If so, the KBI will work to implement this shared technology in our state through present intelligence and information exchange systems of its own. The KBI believes that the use of this system could increase the number of "smurfing" groups identified as operating in Kansas and thus increase the number of locally manufactured methamphetamine.

The one-pot method of methamphetamine production is a simplified manufacturing process that requires fewer chemicals and less equipment than traditional methods of production. Utilizing the "one-pot" method allows the methamphetamine manufacturer to produce the drug using quantities of pseudoephedrine available for purchase under the legal limit. Of the 143 meth lab incidents reported by Kansas law enforcement in 2012, 58 lab incidents, or 40% were one-pot labs.

Although small-scale methamphetamine manufacturing persists in Kansas, the vast majority of all methamphetamine used in Kansas is imported from Mexico and Central America. Unfortunately, even if local methamphetamine manufacturing were to be eradicated, methamphetamine supplied by Mexican Drug Trafficking Organizations would still be readily available.

Methamphetamine Waste Disposal Program (MWDP)

In February 2011, the Drug Enforcement Administration (DEA) announced that funding provided by Congress for state and local law enforcement agencies to clean up meth labs was exhausted. Without the DEA funding, local law enforcement agencies were made responsible for the approximately \$3,500 per lab cost to contract clean-up services. In recognition of the hardship placed on local law enforcement agencies by the DEA announcement, the Kansas

Legislature allocated funding to the KBI for the development of a Meth Waste Disposal Program to ensure continued access by all Kansas law enforcement to appropriate clean-up services. The program facilitated the clean-up of 78 meth lab incidents in 2012.

Problematic to the current clean-up program is the time it takes the contractor to respond to each lab location. This lag time is a major contributor to the lack of local participation in the MWDP Program.

As a result, and with returned federal funding, the KBI in 2011 began researching a program facilitated by the DEA known as the Authorized Central Storage (ACS) program. Restored, but limited funding from DEA would be given to the KBI to establish temporary storage containers in strategic locations across Kansas. Each container will have a response truck and trailer supporting it. The KBI has entered into a Letter of Agreement with DEA to establish this program. The placement of the container's will reduce the amount of down time local law enforcement will have to remain on scene waiting for the contractor to arrive. DEA has agreed to fund a large portion of this program. The KBI is the agency responsible for managing the day to day operations of the program.

The goal of the KBI is to provide a safe, efficient, and fiscally responsible program for federal, state, and local law enforcement to dispose of the hazardous waste associated with methamphetamine laboratories. The program is expected to be operational in mid year 2013.

National Perspective on Scheduling Pseudoephedrine

Two states, Oregon and Mississippi, have adopted legislation requiring a prescription to obtain cold medicines containing pseudoephedrine and several other states have considered similar legislation. As the debate about requiring a prescription to access pseudoephedrine becomes a national issue, attached is a position paper on the topic from the Office of National Drug Control Policy.

Training

COPS grant funding awarded in FY2009 permitted the KBI to coordinate and host a total of four, 40 hour training classes providing 129 Kansas officers with their basic certification to investigate hazardous lab environments. Additionally, one Site Safety Certification class provided advanced site supervisory training to 22 officers in Kansas and three, One-Pot safety and handling classes were taught to 114 officers across the Kansas.

Recommendations

The available evidence, as it relates to Kansas, remains inconclusive regarding the argument to reschedule pseudoephedrine at this time. The KBI will continue to study the impact of the NPLeX electronic pseudoephedrine tracking system and monitor the outcomes reported in

states that have rescheduled pseudoephedrine. The KBI will reevaluate and provide an update in the 2014 legislative report.

The KBI recommends continued funding for the Methamphetamine Waste Disposal Program. This critical program ensures the appropriate removal of the hazardous materials associated with methamphetamine manufacturing, without placing a financial burden on local law enforcement agencies. Additionally, the KBI recommends, based on its study of transitioning to an Authorized Centralized Storage program, which is eligible for partial funding support through the Drug Enforcement Administration. It is the opinion of the KBI that the Authorized Central Storage program will allow for an even more efficient use of fiscal resources, and effective use of personnel time, to remove methamphetamine waste from these lab sites. It expects to see an increase of law enforcement agencies accessing the program which in turn ensures compliance with proper disposal of these hazardous wastes.

This report is very much a reiteration of last year's evaluation of the Kansas problem and is intended to provide an awareness of to our current legislator's. The KBI, along with its local partners and the Kansas Board of Pharmacy will continue to monitor, not only Kansas, but the national trends. Included are two papers concerning the national perspective as provided by the Office of National Drug Control Policy.

Appendix A: "Use of Retail Sales Precursor Tracking Databases Versus 'Prescription Only' as an Effective Means to Prevent Lab Incidents", Office of the National Drug Control Policy, National Methamphetamine and Pharmaceuticals Initiative, January 21, 2011.

Appendix B: "Meth Revisited: Review of State and Federal Efforts to Solve the Domestic Methamphetamine Production Resurgence", Office Of National Drug Control Policy, July 24, 2012.



NMPI

"A National HIDTA Initiative"

Advisory Board Position Paper

January 21, 2011

USE OF RETAIL SALES PRECURSOR TRACKING DATABASES VERSUS "PRESCRIPTION ONLY" AS AN EFFECTIVE MEANS TO PREVENT METHAMPHETAMINE LAB INCIDENTS

NMPI Advisory Board:

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This document represents the NMPI Advisory Board position and not necessarily the official position of the member's agencies.

NMPI Advisory Board Mission Statement

The National Methamphetamine and Pharmaceuticals Initiative (NMPI) Advisory Board, composed of federal, state and local law enforcement and prosecutorial agency representatives from throughout the nation, provides oversight and expertise, ensuring a cohesive strategy of federal, state, and local concerns to further the NMPI mission of reducing and eliminating the occurrence of methamphetamine/chemicals/pharmaceutical drug crimes in the United States.

NATIONAL SITUATION

The NMPI was founded on the premise that the availability of methamphetamine is directly related to the availability of the essential precursors to manufacture the drug. Those precursors being utilized by illicit methamphetamine lab operators in the United States are pseudoephedrine (PSE) and ephedrine (EPH).

History has shown that methamphetamine manufacturing can be affected immediately if the source of the precursor is found and eliminated. Methamphetamine cannot be made without a chemical precursor. PSE or EPH are currently essential in the modern manufacturing process.

Law enforcement across the United States is faced with evidence that the primary precursor source for domestic methamphetamine labs is cold and allergy medicine containing PSE sold at retail stores and pharmacies. This is true for the large "super labs" (operated by drug trafficking organizations- DTOs) producing at least 10 lbs. of methamphetamine per cooking cycle or the smaller "user labs" producing less than 2 ounces of methamphetamine per cook.

Law enforcement also recognizes from evidence found at meth lab sites, investigations, and intelligence, that although restricted, cold and allergy medicine is being illegally obtained through the technique known as "smurfing." This is the practice of purchasing the legal allowable amount of products containing PSE at one retail outlet but following up with successive purchases at other stores that in total exceed the daily or monthly legal limit. This can be done by one individual or a group of individuals operating together in one city, multiple cities, multiple counties, or multiple states depending on the sophistication of smurfing in any particular region. Significant amounts of meth precursor can be obtained this way.

The NMPI Advisory Board believes that the level of "**smurfing sophistication**" in any area depends on two distinct factors:

- (1) The size of labs operating in the region which dictates the demand for the precursor.
- (2) DTOs that are operating smurfing "cells" in the area to collect large amounts of the precursor for use in super labs in the same state or out of state.

Of particular concern to law enforcement (and a detriment to their investigations) is the fact that smurfers are increasingly not utilizing their own identification, but using multiple identification. All of this is done to circumvent the federal Combat Methamphetamine Epidemic Act (or similar state or local laws) which require identification and the signing of purchase logbooks for the purpose of monitoring limits and for law enforcement scrutiny.

The NMPI Advisory Board believes that sufficient evidence now exists to support the conclusion that smurfing is at epidemic proportions across the country with states in various stages of "smurfing sophistication." In some states, such as California and Arizona, smurfing is well organized and has progressed into its own black market industry. Smurfers run in groups along daily routes and sell their

acquired cold medicine at the end of the day to a "collector" or "cell head" overseeing multiple groups. The venture is extremely profitable with boxes of cold and allergy medicine being purchased at about \$7.00 a piece and sold for as much as \$80 each. Some states do not have large methamphetamine lab seizure numbers (such as Arizona), yet large smurfing organizations exist and the methamphetamine precursor is being shipped out of state to California and Georgia by Drug Trafficking Organizations (DTOs) operating methamphetamine super labs.

USE OF TRACKING DATABASES

Tracking retail sales of products containing PSE with databases populated with information gathered in manual or electronic log books has been conducted in some states across the country for at least the last three years. States such as Oklahoma, Arkansas, Kentucky, Tennessee, Arizona, California and others are using databases as an investigative tool to thwart smurfing.

There are two crucial effectiveness factors to the use of tracking databases:

- (1) The information gathered by the database must be timely and accurate.
- (2) The database must be able to "block sales" of purchases over the legal amounts to be effective against the diversion of precursors for illegal activity.

Since PSE products are sold by a multitude of vendors, ideally all these stores must also be electronically connected in order to be timely and accurate and in order to block sales over the daily and monthly limits. This is crucial in regards to the information gathering end; however on the receiving end, law enforcement must have the resources to investigate the leads generated by the databases in order to have the opportunity of identifying smurfers, finding methamphetamine labs, or preventing methamphetamine lab incidents.

The NMPI Advisory Board recognizes that methamphetamine lab incident numbers are now on the rise in the U.S., including in states that have been utilizing tracking databases. The NMPI Advisory Board attributes this to "smurfer sophistication" and the ability to adapt and thwart the use of these databases as an effective law enforcement tool. While it is recognized that the use of tracking and blocking was initially effective, today smurfers have taken away the two database effectiveness factors:

(1) The information gathered, while it may be timely, is no longer always accurate. Smurfers are increasingly utilizing fake identification and "corrupting" databases to the point where prosecutors prefer eyewitness accounts and investigation (read law enforcement surveillance) of violations before filing charges or authorizing arrests and/or search warrants. This results in costly man power consuming investigations.

(2) Along with the accuracy factor, the use of fake IDs, as well as a multitude of smurfers working together, severely hampers a systems ability to block over the limit sales as smurfers distribute purchases so as not to initiate the "block." In addition, because of the lucrative profits of smurfing, there have been many cases of employee collusion/corruption to thwart blocked sales and/or aid in the use of fake identification documents.

Additional factor affecting database efficiency: Indications are that a significant amount of the rise in current meth lab incident numbers can be attributed to the now frequent use of the "**one pot method**" to manufacture methamphetamine by smurfers that are users and cooking themselves. These are under two ounce cooks and are conducted in a small cooking vessel (such as a bottle). This is a very quick (although dangerous) effective production method. The NMPI Advisory Board believes that the

proliferation of these small pot or bottle cooks is directly attributable to anti-blocking efforts. This method does not require purchasing precursor containing products in amounts over the legal purchase limit which would trigger a blocked sale. For instance, the purchase of one box of cold or allergy medicine containing PSE would not by itself initiate a block. It can be argued that this technique could only be used once or twice per buyer in a 30 day time frame; however the use of multiple identifications is still an option along with the sheer number of smurfers that are available to make purchases (which would avoid a blocked sale).

More important in regards to preventing methamphetamine labs, it should be noted that because of the portability and ease of the one pot/bottle method, law enforcement has virtually little chance of stopping the manufacturing of meth before it happens. Many used bottles (where methamphetamine has been cooked) are being found strewn along the side of the road where they have been thrown out of a vehicle window after a quick cook following the purchase of the precursor containing product. This also creates environmental/contamination issues, as well as dangerous exposure issues to the public.

PRESCRIPTION ONLY OPTION

In 2005 the State of Oregon passed legislation restricting the sale of products containing PSE (and EPH) to only those individuals who were able to present a valid prescription. The legislation went into effect on July 1, 2006. This effectively limited the amount of vendors who were able to sell these products to pharmacies only, where sales are conducted under the watchful eye of a registered pharmacist. Making PSE "Prescription Only" eliminated smurfing in Oregon as well as their entire methamphetamine lab problem. More importantly, methamphetamine labs have not returned to Oregon while in the rest of the country methamphetamine lab incidents are on the rise. There have been no adverse effects in Oregon because of this action. Shelves are still lined with cold and allergy medicine containing reformulated products for consumers (without PSE).

During the legislative process to enact the Oregon law, the following reasons were cited against prescription only. However, none of the below claims came true in **Oregon**:

1. **Public outcry**

There have been hardly any complaints, and no public outcry. More than four years have passed since the prescription law went into effect, and there has been no push back or effort to undo or weaken the Oregon legislation.

2. **Inconvenience to consumers**

The claim was made that consumers would be terribly inconvenienced by having to go to a doctor to get a prescription for pseudoephedrine. The actual experience in Oregon has been that most consumers just purchase over-the-counter alternatives. Those few that still want pseudoephedrine call their physician and get a prescription.

3. **Increased work load on pharmacists**

The claim was made that increasing work loads dispensing pseudoephedrine by prescription would occur. This did not happen as most consumers simply purchase over-the-counter alternatives. Oregon pharmacists have stated that they actually prefer the simplicity and ease of the Oregon law returning pseudoephedrine to prescription only status.

4. Increased work load on doctors and emergency rooms

The claim was made that demands on the healthcare system would dramatically increase as a result of patients going to doctors, particularly emergency rooms, to get pseudoephedrine. This never happened.

5. Medicaid costs

The claim was made that Medicaid costs would skyrocket as the result of Medicaid patients getting prescriptions for pseudoephedrine. The actual statewide Oregon impact has been less than \$8,000 per year. This dollar figure (along with loss of sales tax revenue) does not compare to the savings in meth lab incident clean-up costs, investigative costs, social service costs, incarceration costs, etc.

6. Impact on the poor

The claim was made that there would be an impact on the poor because they could not afford to see a physician. For all of the reasons discussed in items 1 through 5 above, this did not occur in Oregon. The Oregon Criminal Justice Commission has made special inquiries on this issue. Contact with the directors of key service providers confirmed there has not been any negative impact. By way of example, the Director of Northwest Human Services, which operate free clinics and homeless shelters in Salem, Oregon, checked with clinic and shelter managers. The response: "We haven't heard a peep from either the patients or the providers since the change in access to pseudoephedrine. There are so many good alternatives that it isn't an issue."

7. Cost of pseudoephedrine

The claim was made that pseudoephedrine prices would increase dramatically. The opposite occurred in Oregon. Pseudoephedrine actually became less expensive due to pharmacies selling generic brands.

Note: Recently, cities and counties in methamphetamine lab plagued **Missouri** have already passed, or are considering passing, ordinances moving products that contain PSE to prescription only. Those cities and counties (22 as of this update) that have enacted ordinances have had dramatic drops in smurfing activity similar to Oregon. In **California**, where meth super labs and organized large scale smurfing exists, there is currently a bill pending in favor of prescription only. Other states with pending bills or moving towards prescription only are Indiana, Kentucky, Nevada, Missouri, and Tennessee.

In February 2010, the State of **Mississippi** passed Prescription Only legislation which became effective July 1, 2010. After six months (January 2011) Mississippi reported an approximate 70% reduction in meth lab incidents with none of the above cited opposition claims occurring. In addition, Mississippi had a 63% drop in meth arrests and the number of related drug endangered children removals fell by 76%.

During prescription only efforts in California, Mississippi, and Missouri, the following additional claims were cited by opponents:

8. PSE move will add to the pharmaceuticals problem

The claim was made that moving PSE to prescription only would add to the already epidemic pharmaceuticals diversion problem. This never happened in Oregon. There has not been one case of prescription PSE diversion in four years of control. This also has not happened in Mississippi. Prescription fraud is dominated by drug users while PSE has to be extracted and made into a usable drug involving many other chemicals in a dangerous process.

9. Allergy clinics

The claim was made that moving PSE to prescription only would cause the rise of "allergy clinics" similar to pain clinics which have been a source of diversion problems. This is simply mere speculation.

10. Mexico

The claim was been made that moving PSE to prescription only would be a wasted effort because meth would continue to be supplied by DTOs bringing in meth from Mexico. The NMPI Advisory Board believes that prescription only is not about stopping meth use but rather about eliminating smurfing and thus domestic meth production. Prescription only would free up our valuable law enforcement resources to work on the DTO's who along with meth bring in other drugs (such as marijuana, cocaine, and heroin) and affect public safety in many other ways.

NATIONAL ORGANIZATIONS IN FAVOR OF PRESCRIPTION ONLY

National Narcotics Officers Association Coalition (NNOAC)
National HIDTA Directors Association
National Alliance for State Drug Enforcement Agencies (NASDEA)
International Association of Chiefs of Police (IACP)

STATE AND LOCAL ORGANIZATIONS IN FAVOR OF PRESCRIPTION ONLY

(CA)

California Attorney General's Office DOJ
California Bureau of Narcotic Enforcement
California Narcotic Officers Association (CNOA)
California Meth and Pharmaceuticals Initiative

(KY)

Appalachia HIDTA Drug Task Forces
Barren-Edmonson County Drug Task Force
Bowling Green Police Department
Bowling Green-Warren County Drug Task Force
Central Kentucky Area Drug Task Force
Greater Louisville Medical Society Public Safety Committee
Jeffersontown Police Department
Kentucky Academy of Family Physicians
Kentucky Association Chiefs of Police
Kentucky Association of Counties
Kentucky Commonwealth Attorney Association
Kentucky Education Association

Kentucky Jailer's Association
Kentucky Medical Association
Kentucky Narcotics Officers' Association
Kentucky State Police
Lake Cumberland Area Drug Task Force
Lexington-Bluegrass Association of Realtors
Louisville Fire Department
Louisville Metro Board of Health
Louisville Metro E.M.S.
Louisville Metro Health Department
Louisville Metro Police
Operation UNITE
Owensboro Police Department
Shively Police Department
South Central Kentucky Drug Task Force
Warren County Sheriff's Office
(MO)
Missouri Narcotics Officers Association
Missouri Prosecutors Association
Missouri Sheriff's Association
Missouri Peace Officers Association
Missouri Police Chiefs Association
Missouri State Troopers Association
(MS)
Mississippi Bureau of Narcotics
(NV)
Nevada District Attorney's Association
Carson City District Attorney's Office
Douglas County District Attorney's Office
Lyon County District Attorney's Office
Nevada Sheriff's and Chief's Association
Carson City Sheriff's Office
Lyon County Sheriff's Office
Carson City Dept. of Alternative Sentencing
Carson City Board of Supervisors
Lyon County Commission
Nevada Medical Association
Nevada Pharmacy Board
(OR)
Oregon State Sheriffs Association
Oregon District Attorneys Association
Oregon Association of Chiefs of Police
Oregon Narcotics Enforcement Association
(Other)
Southeast Meth and Pharmaceuticals Initiative
Southwest Meth and Pharmaceuticals Initiative

IN CONCLUSION

The NMPI Advisory Board recognizes that:

- Law Enforcement agencies do not have the resources to chase smurfers after they have obtained the precursor. There are too many leads to follow.
- Law Enforcement wants to free up resources to focus more on DTOs.
- Law Enforcement does not want to arrest more smurfers or find more methamphetamine labs. Law Enforcement wants to eliminate smurfing and prevent methamphetamine lab incidents.

The NMPI Advisory Board supports "Prescription Only" over the use of tracking databases as the only effective means to eliminate "smurfing" and prevent illicit methamphetamine lab incidents in the United States.

- "Prescription Only" is the only proven tool that keeps legitimate consumer access while preventing methamphetamine labs.
- "Prescription Only" addresses "smurfer sophistication" at all levels in all states.
- "Prescription Only" addresses precursor demand no matter what size methamphetamine labs are being supplied, in the same state or another state.
- "Prescription Only" of PSE, as with any new controlled product, can easily be regulated by new or existing state prescription monitoring programs.
- "Prescription Only" saves taxpayers millions of dollars in investigative costs, lab cleanup costs, incarceration costs, court costs, social services costs, etc.
- "Prescription Only" was the rule for PSE/EPH prior to 1976.

Questions or requests for additional information can be directed to:

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20503

**“Meth Revisited: Review of State and
Federal Efforts to Solve the Domestic
Methamphetamine Production
Resurgence”**

Committee on Oversight and Government Reform
Subcommittee on Health Care, District of Columbia,
Census and the National Archives

Tuesday, July 24, 2012
9:30 a.m.
2203 Rayburn House Office Building

Written Statement
of
R. Gil Kerlikowske
Director of National Drug Control Policy

STATEMENT OF
R. GIL KERLIKOWSKE
DIRECTOR
OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT

before the

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
SUBCOMMITTEE ON HEALTH CARE, DISTRICT OF COLUMBIA, CENSUS AND
THE NATIONAL ARCHIVES
UNITED STATES HOUSE OF REPRESENTATIVES

"METH REVISITED: REVIEW OF STATE AND FEDERAL EFFORTS TO SOLVE
THE DOMESTIC METHAMPHETAMINE PRODUCTION RESURGENCE"

JULY 24, 2012

Thank you very much Chairman Gowdy and Ranking Member Davis for the opportunity to testify on this important subject. I look forward to today's discussion and also working closely with both of you on drug issues in your home States and across the country.

Introduction

Decades of scientific study show that drug addiction is not a moral failing on the part of the individual—but a disease of the brain that can be prevented and treated. And while smart law enforcement efforts will always play a vital role in protecting communities from drug-related crime and violence, the Obama Administration has remained clear that we cannot arrest our way out of the drug problem through an enforcement-centric “war on drugs.”

As you are also aware, I am charged with producing the *National Drug Control Strategy* (*Strategy*), which directs the Nation's anti-drug efforts and establishes programs, a budget, and guidelines for cooperation among Federal, state, and local entities. The Administration's inaugural *Strategy*, released in May 2010, committed to reducing drug use and its consequences through a science-based public health approach to policy. The *Strategy* established specific goals by which to measure our success. The *Strategy* included action items that comprehensively address all areas of drug control. In April, the Obama Administration released the 2012 *Strategy*, which builds upon the progress achieved since the release of the inaugural *Strategy* and is guided by three facts: addiction is a disease that can be prevented and treated; people with substance use disorders can recover; and innovative new criminal justice reforms can stop the revolving door of drug use, crime, incarceration, and re-arrest.

Our efforts are balanced and incorporate new research and smarter strategies to better align policy with the realities of drug use in communities throughout this country. Addiction is a complex, biological, and psychological disorder. It is chronic and progressive, and negatively

affects individuals, families, communities, and our society as a whole. In 2010, 23 million Americans ages 12 or older needed treatment for an illicit drug or alcohol use problem. However, only 11 percent received the necessary treatment for their disorders.¹

Treatment is effective, and recovery is possible. Three decades of scientific research and clinical practice have proven that treatment for drug addiction is as effective as treatment for most other chronic medical conditions, such as diabetes, hypertension, and asthma. We need to change the conversation in this country to emphasize the importance and effectiveness of treatment and recovery in overcoming this disease, and each of us must take personal responsibility for not using drugs, for seeking treatment if we have a problem, and for committing to recovery from substance abuse.

Thousands of Americans lose their lives each year because of illicit drug use. I am deeply troubled by the recent sharp increases in drug-related deaths. In 2009, the latest year for which data are available, drug-induced deaths were the leading cause of injury death in the United States, exceeding deaths due to traffic crashes and gunshot wounds.²

In addition to identifying ways to improve access to care for those struggling with addiction, the Administration is exploring and expanding alternatives to incarceration for low level offenders, such as proven programs like local drug courts and promising new probation-based initiatives like Hawaii's Opportunity Probation with Enforcement (HOPE). HOPE is a probation program that delivers swift, certain, but modest punishments to deter crime and drug use. It has demonstrated success in reducing jail time and recidivism, and has also improved abstinence rates. The HOPE program has also shown significant promise in methamphetamine-using populations, a traditionally difficult-to-treat population, and is currently being expanded throughout the country.³ While treatment-focused programs like drug courts require training, technical assistance, and support from local treatment providers, studies have demonstrated that they are cost effective, especially when compared to traditional incarceration of non-violent drug offenders.⁴ The Administration is committed to supporting and expanding drug courts and is currently supporting research into probation programs like HOPE to ensure these alternatives are available to break the cycle of incarceration for drug offenders.

This statement addresses one important aspect of our national effort to reduce drug production, trafficking, and overall demand: methamphetamine, a highly-addictive drug that has affected the lives of millions of Americans. Methamphetamine continues to pose a very significant threat to the health and safety of our citizens. Although our drug consumption surveys continue to show reduced use, I believe that increased production both in Mexico and the United States threatens to reverse that progress. The Office of National Drug Control Policy (ONDCP) and my colleagues in the Federal Government very much appreciate the opportunity to highlight this threat and to discuss with you how we can continue to work together to address it.

¹ Results from the 2010 National Survey on Drug Use and Health: National Findings, Substance Abuse and Mental Health Services Administration (SAMHSA), 2010, <http://oas.samhsa.gov/NSDUH/2k10NSDUH/2k10Rresults.pdf>

² National Center for Health Statistics. (2012). National vital statistics reports: Deaths: Final Data for 2009. Centers for Disease Control and Prevention: Washington, DC. Highlights/Detailed Tables available: http://www.cdc.gov/nchs/data/dvs/deaths_2009_release.pdf

³ Hawken, AD & Kleiman, M (2009) Managing drug Involved Probationers with Swift and Certain Sanctions: Evaluating Hawaii's HOPE. National Institute of Justice, Washington, DC.

⁴ U.S. Government Accountability Office, "Adult Drug Courts: Evidence Indicates Recidivism Reductions and Mixed Results for Other Outcomes." GAO. [February 2005]. Available <http://www.gao.gov/new.items/d05219.pdf>

Methamphetamine Availability and Production

Methamphetamine continues to be a drug of significant concern for both the public health and safety of many communities throughout the United States. While national data indicate that the number of current methamphetamine users in the United States has dropped significantly in the past several years, from approximately 731,000 current users in 2006 to approximately 353,000 in 2010,⁵ these data do not capture the considerable regional and local variations in methamphetamine use, nor do they reflect the increases we have seen over the last 24 months in methamphetamine trafficked across the Southwest Border.

Law enforcement and intelligence reporting, as well as seizure, price, and purity data, indicate that the availability of methamphetamine in general is increasing in markets throughout the United States.⁶ The high availability of methamphetamine in our country is attributable to a combination of factors. A strong Mexican-based production and distribution infrastructure, combined with growing numbers of domestic manufacturing operations ensure that domestic methamphetamine supplies remain high. This conclusion is supported by evidence of significant declines in price per pure gram of methamphetamine since late 2007, caused by significant increases in purity of the drug available.^{7,8}

Mexico remains the primary source of domestic methamphetamine supplies, with the latest data indicating dramatic increases in the flow of Mexican methamphetamine into the United States. Mexican-based producers are operating at high production levels, which has allowed for expansion of distribution into the United States over the past several years.⁹ In fact, from December 2007 to December 2011, the 12-month moving average of meth seizures along the Southwest Border increased approximately 350 percent.¹⁰ Law enforcement reporting, laboratory seizure data, and sustained upward trends in Mexican methamphetamine availability in U.S. markets all combine to support these conclusions.

Although efforts undertaken by the Government of Mexico (GOM) to address methamphetamine production in the country were initially very effective, this success has eroded considerably over the past several years. Between 2006 and 2007, import and other restrictions placed on precursor chemicals such as pseudoephedrine and ephedrine by the GOM severely disrupted Mexican production capabilities. Overall, we have heard reports from law enforcement indicating that precursor restrictions have decreased the quantities of pseudoephedrine available to producers.¹¹ However, Mexican drug trafficking organizations (DTOs) have found ways to work around these restrictions, including smuggling precursors into Mexico in violation of GOM import

⁵ Substance Abuse and Mental Health Services Administration. *Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings*. U.S. Department of Health and Human Services. [September 2011]. Available: <http://www.oas.samhsa.gov/NSDUH/2k10NSDUH/2k10Results.htm#Ch2>

⁶ National Drug Intelligence Center (NDIC). "National Drug Threat Assessment 2011: Methamphetamine Availability." U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=38>

⁷ Ibid. National Drug Intelligence Center (NDIC). "National Drug Threat Assessment 2011: Methamphetamine Availability." U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=38>

⁸ Drug Enforcement Administration. System to Retrieve Information from Drug Evidence (STRIDE).

⁹ National Drug Intelligence Center (NDIC). "National Drug Threat Assessment 2011: Methamphetamine Availability." U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=38>

¹⁰ National Seizure System, El Paso Intelligence Center, extracted 5/10/2012

¹¹ Office of National Drug Control Policy. *Report to Congress: Use of High Intensity Drug Trafficking Areas Program Funds to Combat Methamphetamine Trafficking*. Executive Office of the President. [May 2012].

restrictions, often from China and India.¹² Large seizures of mislabeled or hidden pseudoephedrine being smuggled into Mexico indicate traffickers are attempting to circumvent these restrictions.¹³ The precursor restrictions have also driven Mexican DTOs to alternative production methods. Mexican producers are importing phenylacetic acid, a chemical that allows for a derivation of methamphetamine precursors, effectively working around pseudoephedrine and ephedrine restrictions.¹⁴ In addition, Mexican producers are now using and refining the phenyl-2-propane (P2P) method, a technique originally used by U.S. outlaw motorcycle gangs to produce methamphetamine. Data suggest that Mexican DTOs have improved this process and are producing methamphetamine of potency similar to that of other production methods.

The increases in the supply of Mexican methamphetamine are paralleled by growth in domestic methamphetamine production over the past several years. After GOM's precursor restrictions severely disrupted Mexican production capabilities in 2006 and 2007, U.S. production and distribution networks grew to meet domestic demand for the drug to compensate for reduced supply from Mexico. However, as Mexican production has reemerged and increased, U.S. production has showed few signs of decline. In fact, U.S. methamphetamine lab seizures have increased from approximately 3,100 in 2007 to nearly 6,400 in 2011, an increase of over 100 percent.^{15,16} These domestic labs represent a major threat to public safety and the environment, as well as a significant burden on the already busy law enforcement officers responsible for locating and cleaning up these toxic labs.

At the same time there have been significant changes in the regional distribution, production capacities, and methods involved in domestic production of methamphetamine. This growth in domestic production is largely attributable to increased numbers of small-scale methamphetamine labs throughout the country. In 2004, the peak of domestic meth lab activity in the United States, the West Coast had significant lab activity.¹⁷ However, methamphetamine lab activity has declined in the West and has risen in the Midwest and South in the last several years.¹⁸ But simple counts of lab incidents do not tell the full story. The production capacity of the seized labs has declined. Currently, approximately 80 percent of the methamphetamine labs seized in the U.S are of the smallest capacity category documented, i.e., less than 2 ounces.¹⁹ Most of the remaining laboratories seized were also relatively small, with capacities between 2 and 8 ounces per production cycle. While the shift in production is a positive sign, small-scale domestic labs account for only a small portion of the U.S. supply, and their proliferation can stimulate new local markets for methamphetamine where the drug was previously unavailable.²⁰

¹² Bureau of International Narcotics and Law Enforcement Affairs. *2012 International Narcotics Strategy Report*. U.S. Department of State. [March 2012]. Available: <http://www.state.gov/documents/organization/187109.pdf#page=23>

¹³ Bureau of International Narcotics and Law Enforcement Affairs. *2012 International Narcotics Strategy Report*. U.S. Department of State. [March 2012]. Available: <http://www.state.gov/documents/organization/187109.pdf#page=68>

¹⁴ Bureau of International Narcotics and Law Enforcement Affairs. *2012 International Narcotics Strategy Report*. U.S. Department of State. [March 2012]. Available: <http://www.state.gov/documents/organization/187109.pdf#page=68>

¹⁵ National Drug Intelligence Center (NDIC). "National Drug Threat Assessment 2011: Methamphetamine Availability." U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=40>

¹⁶ National Seizure System, El Paso Intelligence Center.

¹⁷ National Seizure System, El Paso Intelligence Center.

¹⁸ National Seizure System, El Paso Intelligence Center.

¹⁹ National Seizure System, El Paso Intelligence Center.

²⁰ National Drug Intelligence Center (NDIC). "National Drug Threat Assessment 2011: Methamphetamine Movement." U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=29>

This shift in lab size is largely attributable to restrictions placed on precursor chemicals, like those imposed by the Combat Methamphetamine Epidemic Act (CMEA) and state-level restrictions, which have made it increasingly difficult for producers to obtain large quantities of precursors necessary to operate large scale “superlabs”.²¹ However, as in Mexico, U.S. producers have found ways to circumvent many of these restrictions. Individual or smaller-scale criminal groups have organized “smurfing” operations to source large quantities of pseudoephedrine and other precursor chemicals.²² “Smurfing” operations use individual purchasers to acquire illegal quantities of precursor chemicals through multiple purchases from several retail locations, effectively circumventing the monitoring and control provisions of the CMEA. Law enforcement has identified a number of significant smurfing operations, including one in which an organization purchased over 60 pounds (almost 27,216 grams) of pseudoephedrine tablets in less than 30 days by traveling to multiple retail locations such as convenience stores and highway rest stops.²³ In addition, the domestic increase in small-scale labs is attributable to the “one-pot” production method, which produces relatively small quantities of methamphetamine from pseudoephedrine products without the presence of a full-scale laboratory. And as in Mexico, law enforcement has reported that some U.S. producers have shifted to the P2P method, which enables production without the need for pseudoephedrine or ephedrine.

As you know, domestic methamphetamine labs pose a number of serious risks to the health and safety of law enforcement officials, the general public, and the lab operators themselves. Clandestine labs can threaten the physical safety of their operators and members of the community, with high potential for explosions, fires, chemical burns, and toxic fumes. The array of dangerous chemicals used in the methamphetamine production process creates dangerous, volatile toxic sites. Data from the National Seizure System show that there were 263 explosions or fires at methamphetamine production sites in 2010, compared with 186 in 2009; in 2011 there were 217 explosions or fires.²⁴ In addition, methamphetamine production poses severe environmental risks. For each pound of methamphetamine produced, the manufacturing process can yield significant quantities of toxic waste. Lab operators frequently dump this waste into the ground, sewers, or nearby streams and rivers. The water used to put out lab fires can also wash toxic chemicals into sewers. Contamination of the ground and local water supplies can last for several years, and cleanup of the lab sites themselves can cost state and local authorities hundreds of thousands of dollars annually, stretching already tight budgets.

Perhaps one of the greatest concerns associated with clandestine methamphetamine labs is the dangers posed to children in these dangerous environments. Public safety officials have frequently encountered children who have been directly exposed to the hazards of clandestine drug labs. Some children have dangerous chemicals or traces of illicit drugs in their systems, while others have suffered burns to their lungs or skin from chemicals or fire. In the most disturbing cases, children have been injured in lab explosions and fires, while others have been

²¹ The term “superlab” refers to a laboratory that generates 10 pounds or more of methamphetamine per production cycle.

²² National Drug Intelligence Center (NDIC). “National Drug Threat Assessment 2011: Methamphetamine Availability.” U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=40>

²³ Office of National Drug Control Policy. *Report to Congress: Use of High Intensity Drug Trafficking Areas Program Funds to Combat Methamphetamine Trafficking*. Executive Office of the President. [May 2012].

²⁴ National Seizure System, El Paso Intelligence Center.

neglected or abused by adults living at lab sites. These deplorable conditions have led to the development of Drug Endangered Children (DEC) programs across the country. DEC programs help coordinate law enforcement, medical, and child welfare services to ensure children discovered in methamphetamine labs or other drug production operations receive much-needed care.

The recent increases in domestic methamphetamine production prove that efforts to reduce drug availability cannot focus solely on foreign production and distribution networks. We must address domestic production through initiatives that can successfully reduce production and distribution within our borders. Community-oriented policing and innovative enforcement methods can help eliminate street-level distribution and effectively utilize law enforcement resources to ensure public safety and community quality of life.

Efforts to Prevent Production and Use of Methamphetamine

The Administration supports several important efforts to combat methamphetamine production and trafficking, and to prevent and treat use of the drug. By emphasizing this balanced approach, we are implementing a national strategy that recognizes the role of enforcement, along with prevention and treatment, to reduce the availability and demand for methamphetamine and other drugs. A number of these efforts are effectively targeting methamphetamine production and use.

Since 2007, ONDCP's National Youth Anti-Drug Media Campaign has supported a national Anti-Meth Campaign through TV, radio, print, and online anti-meth advertising in areas of the country hardest hit by meth. The anti-meth messages are aimed at young adults ages 18-34, as national survey data indicate that young adults, with an average age of first use of methamphetamine and other stimulants of approximately 21 years,²⁵ are far more likely to use meth than teens or any other age group. The Anti-Meth Campaign targets those areas of the country hardest hit by meth and delivers messages conveying the risks of meth use, the effectiveness of treatment, and the possibility of recovery from meth addiction. The Campaign's advertising and outreach have included messages that focus on preventing meth use and raising awareness about the benefits of treatment, and encouraging friends and family of meth users to seek treatment for their friend or loved one. The Campaign makes its anti-meth ads available as free resources for community organizations to use in their local markets. This effort provides parents, youth, and other state, tribal, and community leaders with the knowledge and tools necessary to help prevent methamphetamine use, help those struggling with methamphetamine addiction find the care they need, and reduce the drug's corrosive influence within their communities.

The Administration is also taking a number of steps to improve access to substance abuse treatment across the country. To quickly improve intervention and treatment services, we are exploring ways to enhance services delivered by primary healthcare providers. One current effort involves enhancing substance abuse care in Federally supported community health centers

²⁵ Substance Abuse and Mental Health Services Administration. *Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings*. U.S. Department of Health and Human Services. [September 2011]. Available: <http://www.oas.samhsa.gov/NSDUH/2k10NSDUH/2k10Results.htm#Fig5-3>

supported by the Health Resources and Services Administration (HRSA) and centers supported by the Indian Health Service (IHS). Expanding the capacity of these facilities to identify and address substance abuse issues will improve substance abuse intervention and treatment services, particularly for under-served populations, including Native American and Native Alaskan populations.

Ongoing treatment and recovery support is critical to assisting patients in maintaining their recovery after participating in a treatment program. The Substance Abuse and Mental Health Services Administration's (SAMHSA) Access to Recovery (ATR) program is a voucher-based system that provides patients with access to a large pool of service providers, including mental health clinics, social services, and housing agencies, as well as faith-based and community organizations. By providing additional options for treatment and recovery support, these vouchers enable individuals to obtain care that is convenient and effective for them, helping address some of the obstacles of limited treatment availability. In 2010, SAMHSA awarded a new round of funding to 30 ATR state and tribal grantees, all of which were fully operational by early 2011.

The Administration is committed to working with the criminal justice system to reduce methamphetamine-related crime and improve public health and safety. The 28 regional High Intensity Drug Trafficking Area (HIDTA) programs located throughout the Nation, supported by ONDCP, are dedicated to reducing the production, trafficking, and use of methamphetamine. HIDTA-funded task forces, composed of Federal, state, local, and tribal law enforcement officers, are helping lead the effort to discover and dismantle methamphetamine labs across the country. In 2011 alone, HIDTA-funded initiatives seized 1,485 methamphetamine laboratories, approximately 23 percent of the total number seized nationwide.²⁶ In addition to the denied revenue associated with the dismantlement of these laboratories, HIDTA-funded efforts removed an estimated wholesale value of \$102.7 million of methamphetamine and \$126 million of crystal methamphetamine from the market in 2011.²⁷ Moving forward, HIDTA-funded initiatives are increasing their focus on investigations of trafficking of methamphetamine, largely due to the increased difficulty and time required to seize growing numbers of smaller-scale labs.

The National Methamphetamine & Pharmaceuticals Initiative (NMPI) is one HIDTA program focused on reducing methamphetamine production and distribution nationally. With an Advisory Board consisting of four Federal and six state and local representatives from various regions of the United States, NMPI shares regional information and identifies enforcement priorities to reduce methamphetamine trafficking throughout the country. NMPI is supporting efforts to control precursor chemicals such as pseudoephedrine, and provides training to Federal, state, local, and tribal personnel on methamphetamine drug crimes, trends, drug-endangered children, and best practice solutions to address other methamphetamine-related issues.

The Administration is committed to increasing treatment capacity and improving access for those in need of substance abuse services, including those for methamphetamine dependency. By balancing improvements in these areas with smarter strategies in law enforcement and criminal

²⁶ Office of National Drug Control Policy. *Report to Congress: Use of High Intensity Drug Trafficking Areas Program Funds to Combat Methamphetamine Trafficking*. Executive Office of the President. [May 2012].

²⁷ Office of National Drug Control Policy. *Report to Congress: Use of High Intensity Drug Trafficking Areas Program Funds to Combat Methamphetamine Trafficking*. Executive Office of the President. [May 2012].

justice, we hope to more effectively address the challenges posed by methamphetamine and other drugs.

Efforts to Control Precursor Availability

As many in Congress have recognized, one of the most promising methods for disrupting methamphetamine production involves strengthening control of precursor chemicals used in its manufacture. Methamphetamine production operations typically obtain large quantities of precursors like pseudoephedrine through illicit means. By restricting the illicit pathways through which these chemicals are acquired, we can dramatically reduce methamphetamine production capacity, lower street availability of the drug, and thereby significantly reduce the public health and safety costs associated with its manufacturing and use.

As you know, the Drug Enforcement Administration (DEA) cannot administratively schedule either pseudoephedrine or ephedrine, since they are specifically exempted under the Controlled Substances Act (CSA) from the schedules of controlled substances. With this in mind, varying degrees of precursor control have been implemented both internationally and here in the United States, with some demonstrated success in reducing methamphetamine availability and production. However, it is equally important to note that these efforts face limitations in reducing methamphetamine production.

As discussed earlier, methamphetamine availability in the United States originates from both international DTOs and domestic clandestine labs. The declines in methamphetamine production and U.S. availability in 2007 and 2008 are largely attributable to the GOM's precursor chemical restrictions, which included a comprehensive ban on pseudoephedrine use and distribution. However, by late 2008, and continuing to the present, Mexican DTOs had already started to adapt their operations: smuggling regulated chemicals via new routes; importing non-regulated chemical derivatives instead of precursor chemicals; using alternative production methods; and, when the precursors used in the alternative (P2P) production methods became more tightly regulated, switching to derivatives of those chemicals.

Restrictions on pseudoephedrine in the United States have also had diminishing success in reducing methamphetamine production. Current Federal restrictions, along with a majority of states with controls in place, were originally intended to cut down on methamphetamine labs and their production capacities. However, these restrictions are showing diminishing effectiveness in reducing domestic methamphetamine production. Current data show a significant rise in meth labs across the United States. Drug traffickers and others are evading Federal and state laws and are domestically producing methamphetamine with increasing frequency. Law enforcement officials from throughout the Nation report that the pseudoephedrine used for methamphetamine production in their areas can be sourced to local and regional smurfing operations.²⁸ These activities rapidly deplete limited and valuable law enforcement resources, and fuel the continued growth in domestic labs.

²⁸ National Drug Intelligence Center (NDIC). "National Drug Threat Assessment 2011: Methamphetamine Availability." U.S. Department of Justice. [August 2011]. Available: <http://www.justice.gov/archive/ndic/pubs44/44849/44849p.pdf#page=40>

While we must certainly consider the public health benefits of convenient access to cold medicines such as pseudoephedrine, the considerable threat to public health and safety posed by domestic methamphetamine labs cannot be ignored. In an effort to address this resurging threat, some states implemented electronic pseudoephedrine sales monitoring systems. These systems track consumer purchases of pseudoephedrine-based medications and seek to ensure, in real time, that purchases are limited to legal amounts. Kentucky, Oklahoma, and Arkansas are among the 26 states that have implemented these tools in an attempt to reduce diversion of precursor chemicals for methamphetamine production. Kentucky was one of the first to implement a statewide system, ensuring consumer purchases made anywhere in the State comply with legal restrictions. These electronic tracking systems are intended to prevent smurfing and reduce illegitimate pseudoephedrine purchases. However, even with these tracking systems in place, small-scale methamphetamine production has increased in several states.²⁹ Domestic producers can and have been circumventing these systems by employing more buyers or using buyers with multiple fake or stolen IDs to purchase pseudoephedrine products in small, legal quantities. The sheer volume and inconsistent quality of data in these electronic databases severely hinder the ability of law enforcement to investigate cases of smurfing. The leads provided by tracking systems require extensive law enforcement resources to fully investigate and then effectively prosecute violators. Many would argue that electronic tracking systems do not prevent the creation or expansion of meth labs. Further, these electronic tracking systems are more reactive and are not reflective of the modern, more preventive approach to law enforcement.

A prescription requirement for pseudoephedrine may be a promising tool in a comprehensive plan to address methamphetamine production. Facing a similar threat from domestic lab production, the State of Oregon in 2006 made pseudoephedrine a Schedule III controlled substance, making it prescription only, as it was prior to 1976. There was extensive debate in Oregon as to whether this law would prevent smurfing and methamphetamine labs, and whether there would be public outcry or other adverse consequences. Six years later, the results are very encouraging. Methamphetamine laboratory seizures declined dramatically from 190 in 2005 to 11 in 2011,³⁰ suggesting a significant reduction in labs operating in the state, and thus in the public health and safety dangers posed by these labs. Prior to the prescription requirement, some constituents expressed concerns over potential problems with access to medication and health care costs, but in the time since the enactment of the prescription requirement, there has been relatively little negative reaction from patients, pharmacists, or healthcare providers.

Mississippi also implemented a prescription requirement for pseudoephedrine and ephedrine products.³¹ Only in effect since July 1, 2010, we cannot draw long-term conclusions about the effect of the law. However, laboratory seizure data are showing positive signs. In 2010, Mississippi reported 698 seizures in 2010 but only 259 in 2011, a 63 percent decrease.³² Law enforcement agencies from the State have also reported decreases in methamphetamine

²⁹ Drug Enforcement Administration. "Methamphetamine Lab Incidents, 2004-2011" U.S. Department of Justice. [2012]. Available: http://www.justice.gov/dea/concern/map_lab_seizures.html

³⁰ Drug Enforcement Administration. "Methamphetamine Lab Incidents, 2004-2011" U.S. Department of Justice. [2012]. Available: http://www.justice.gov/dea/concern/map_lab_seizures.html

³¹ Mississippi House Bill 512 (as signed by Governor Barbour, 2/11/10); "Governor Barbour Signs Bill Targeting Meth Manufacturing." GovernorBarbour.com. [February 2010]. Available: <http://www.governorbarbour.com/news/2010/feb/2.11.10BarboursignsHB512.html>

³² Drug Enforcement Administration. "Methamphetamine Lab Incidents, 2004-2011" U.S. Department of Justice. [2012]. Available: http://www.justice.gov/dea/concern/map_lab_seizures.html

production and methamphetamine-related arrests in the task force's area of responsibility since passage of the law. In addition, a number of municipalities in Missouri followed Oregon's lead in 2009, and preliminary reporting suggests some success in reducing methamphetamine production in these communities.

As a result of the successes achieved in Oregon and Mississippi, 16 states filed legislative bills in 2011 to enact prescription requirements for pseudoephedrine. However, none of the measures passed.

Internationally, in 2009, New Zealand recognized a need for additional pseudoephedrine controls to cut down on methamphetamine production and made pseudoephedrine a prescription-only drug, joining countries such as The Netherlands that have long banned pseudoephedrine-containing products from being obtained over the counter. New Zealand's government recognized that previously established restrictions were not effectively reducing methamphetamine production, and took the nationwide step of a prescription requirement.

This preliminary evidence suggests that additional restrictions on pseudoephedrine may have promise in reducing that threat. However, more work is needed to identify the policies that strike the appropriate balance between reducing the illicit use of pseudoephedrine and maintaining access for legitimate and safe use. By working closely with other agencies in the Federal community, consumers, public health and safety leaders, and the health care products industry, we can work through these challenges.

Conclusion

Methamphetamine poses a number of significant challenges for policymakers at the local, state, and Federal levels. The Obama Administration is dedicated to working closely with Congressional and other leaders to identify and implement the best solutions as quickly and effectively as possible. We know methamphetamine production and trafficking severely degrade the public health and safety for many of our citizens, but no single approach will be effective alone. Instead, we must focus on proven strategies that effectively eliminate domestic methamphetamine labs, focus on prevention, early intervention, and treatment, as well as work with our international partners to target and dismantle large-scale drug trafficking groups that produce and import methamphetamine into the U.S. By doing so, we can cut down on methamphetamine production and more effectively reduce the dangers to the most heavily affected communities and regions in the United States.

Placing limitations on access to precursor chemicals is one piece of a comprehensive strategy to curb methamphetamine use, and I look forward to working closely with you and the other members of the Subcommittee to address this important issue. Thank you again for the opportunity to testify here today and for your support on this vital concern.