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Gulf Coast

High Intensity Drug Trafficking Area

Drug Market Analysis 2009



**NATIONAL DRUG INTELLIGENCE CENTER
U.S. DEPARTMENT OF JUSTICE**





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This assessment is an outgrowth of a partnership between the NDIC and HIDTA Program for preparation of annual assessments depicting drug trafficking trends and developments in HIDTA Program areas. The report has been coordinated with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.



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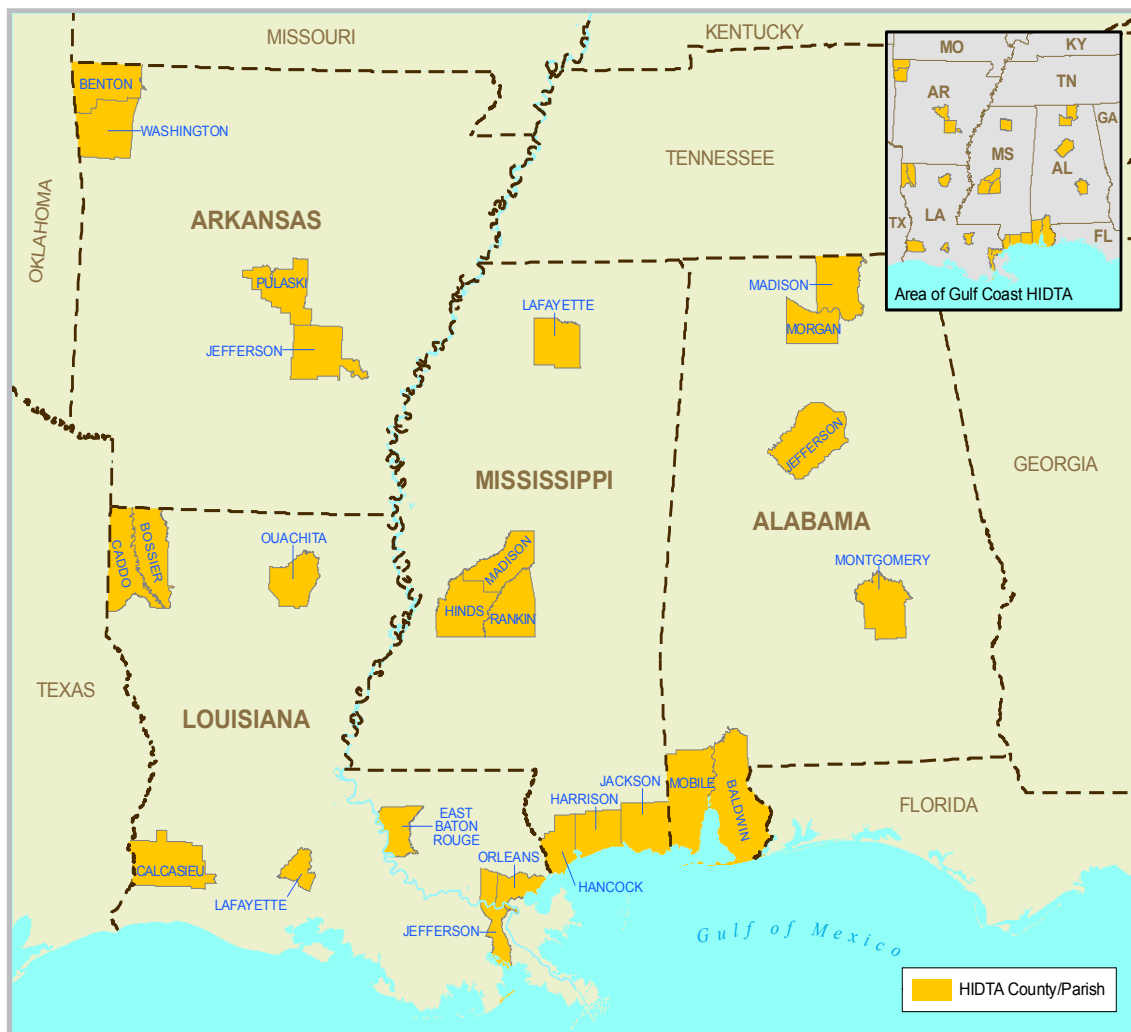
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Preface

This assessment provides a strategic overview of the illicit drug situation in the Gulf Coast High Intensity Drug Trafficking Area (HIDTA), highlighting significant trends and law enforcement concerns related to the trafficking and abuse of illicit drugs. The report was prepared through detailed analysis of recent law enforcement reporting, information obtained through interviews with law enforcement and public health officials, and available statistical data. The report is designed to provide policymakers, resource planners, and law enforcement officials with a focused discussion of key drug issues and developments facing the Gulf Coast HIDTA.

Figure 1. Gulf Coast High Intensity Drug Trafficking Area



Strategic Drug Threat Developments

- The Gulf Coast HIDTA region is the primary transportation corridor used by Mexican drug trafficking organizations (DTOs) to transport large amounts of powder cocaine, ice methamphetamine, commercial-grade marijuana, and smaller amounts of Mexican brown powder and black tar heroin from the Southwest Border area and Mexico to Atlanta, Georgia—a national-level drug distribution center—and other areas in the southeast, such as North Carolina and Memphis, Tennessee.
- Shortages in wholesale quantities of powder cocaine first noted in 2007 continued to be reported by some law enforcement agencies in the Gulf Coast HIDTA region through 2008. Nonetheless, cocaine remains available at the retail level, and quantities are sufficient to meet local demand.
- The diversion, distribution, and abuse of controlled prescription drugs (CPDs) such as analgesic patches, Dilaudid (hydromorphone), hydrocodone, methadone, OxyContin (oxycodone), and Xanax (alprazolam), as well as the prescription drug Soma (carisoprodol) are serious threats to the Gulf Coast HIDTA region, particularly HIDTA counties in Louisiana and Mississippi. Physicians working in pain management clinics in Louisiana and Houston, Texas, are significant sources for CPDs available in the region.
- Methamphetamine laboratory seizure data suggest rising methamphetamine production in the region. The number of reported methamphetamine laboratory seizures in the region decreased each year from 2004 through 2007; however, 2008 data indicate that methamphetamine production is increasing. This increase can be largely attributed to a circumvention of state and federal pseudoephedrine sales

restrictions by individuals and criminal groups who make numerous small-quantity pseudoephedrine product purchases from multiple retail outlets and by producers who make small quantities of methamphetamine using the one-pot cook method.

HIDTA Overview

The Gulf Coast HIDTA region encompasses 25 counties and parishes throughout Alabama, Arkansas, Louisiana, and Mississippi. (See [Figure 1 on page 1.](#)) New Orleans, Louisiana, is the primary drug market in the region; however, the city has not returned to its 2005 prehurricane Katrina status as a drug distribution center. Baton Rouge, Lafayette, and Shreveport, Louisiana; Biloxi, Jackson, and Oxford, Mississippi; and Birmingham, Huntsville, and Montgomery, Alabama, are secondary drug markets. (See [Figure 2 on page 8.](#)) Most drug markets in the region are retail-level markets that are dependent upon sources of supply located outside the region in Atlanta; Dallas and Houston, Texas; and Memphis. For example, traffickers in Atlanta supply illicit drugs to Birmingham, Huntsville, and Montgomery; traffickers in Dallas and Houston supply illicit drugs to markets throughout Louisiana, parts of Arkansas, and Biloxi; and traffickers in Memphis supply illicit drugs to Oxford and parts of Arkansas.

The Gulf Coast HIDTA region is the primary transit area that Mexican DTOs use to transport illicit drugs from sources of supply in southwestern states and Mexico to Atlanta and other areas in the southeast such as Memphis and North Carolina. Mexican DTOs transport powder cocaine, ice methamphetamine, commercial-grade marijuana, and Mexican brown powder and black tar heroin from sources along the Southwest Border to Atlanta using Interstates 10 and 20 and to Memphis and North Carolina using I-40. (See [Figure 2 on page 8.](#)) A portion of these drugs are sold to traffickers in the Gulf Coast HIDTA region for local

distribution. In addition, Mexican DTOs transport bulk cash from illicit drug sales in eastern drug markets and from Atlanta through the region to the Southwest Border area and Mexico.

Drug Threat Overview

Cocaine trafficking and abuse pose the greatest drug threat to the Gulf Coast HIDTA region. The large quantities of cocaine available in the area, the level of violence associated with cocaine (particularly crack) distribution and abuse, and the number of cocaine-related treatment admissions to publicly funded facilities are indications that cocaine poses a greater threat than any other illicit drug. According to data from the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2009,¹ 48 of the 89 law enforcement agency respondents in the Gulf Coast HIDTA region report that cocaine is the greatest drug threat in their jurisdictions. Shortages in wholesale quantities of powder cocaine, which were first noted in 2007, continued to be reported by some law enforcement agencies in the Gulf Coast HIDTA region through 2008. Nonetheless, cocaine remains available at the retail level, and quantities are sufficient to meet local demand. Law enforcement officials seized more than 1,315 kilograms of powder cocaine in conjunction with Gulf Coast HIDTA initiatives in 2008. (See Table 1 on page 4.)

The production, trafficking, and abuse of powder and ice methamphetamine pose a significant threat to the Gulf Coast HIDTA region. According to NDTS 2009 data, 22 of the 89 law enforcement agency respondents in the Gulf Coast HIDTA region report that powder methamphetamine and ice

methamphetamine are the greatest drug threats in their jurisdictions. Mexican high-purity ice methamphetamine and locally produced powder methamphetamine are available throughout the Gulf Coast HIDTA region. Mexican DTOs supply large amounts of powder and ice methamphetamine to the region through established distribution networks. Methamphetamine is also produced in the region at low to moderate levels.

The diversion, distribution, and abuse of CPDs² pose a serious and growing threat to the Gulf Coast HIDTA region. CPDs are widely available and abused at high levels; further, a considerable number of property crimes are committed by CPD abusers. According to NDTS 2009 data, 83 of the 89 law enforcement agency respondents in the Gulf Coast HIDTA region report that CPDs are available at moderate to high levels in their jurisdictions. CPDs are frequently abused in the region; law enforcement officers report that CPD abuse is a growing problem among Caucasian young adults. The most widely available and commonly abused CPDs are analgesic patches, Dilaudid, hydrocodone, methadone, OxyContin, and Xanax,³ as well as the prescription drug Soma. Distributors and abusers illicitly obtain CPDs through traditional diversion methods, primarily doctor-shopping, theft, forged prescriptions, and unscrupulous physicians and pharmacists working

1. National Drug Threat Survey (NDTS) data for 2009 cited in this report are as of February 12, 2009. NDTS data cited are raw, unweighted responses from federal, state, and local law enforcement agencies solicited through either the National Drug Intelligence Center (NDIC) or the Office of National Drug Control Policy (ONDCP) High Intensity Drug Trafficking Area (HIDTA) program. Data cited may include responses from agencies that are part of the NDTS 2009 national sample and/or agencies that are part of HIDTA solicitation lists.

2. Not all prescription drugs are listed as controlled prescription drugs (CPDs) in the Controlled Substances Act (CSA). However, many prescription drugs are listed in Schedules I through V of the CSA because of their high potential for abuse or addiction. Schedule I through V prescription drugs are primarily narcotic pain relievers and central nervous system depressants and stimulants. A complete list of CPDs, by schedule, is available on the Drug Enforcement Administration (DEA) Office of Diversion Control web site at <http://www.deadiversion.usdoj.gov/schedules/schedules.htm>.

3. Schedule II drugs include several prescription drugs, such as Dilaudid (hydromorphone), Duragesic (fentanyl), methadone, morphine, OxyContin (oxycodone), and Percocet (oxycodone in combination with acetaminophen). Schedule III drugs include several prescription drugs such as Vicodin (hydrocodone in combination with acetaminophen). Schedule IV drugs include several prescription drugs such as Ambien (zolpidem), Ativan (lorazepam), Darvon (propoxyphene), Valium (diazepam), and Xanax (alprazolam).

Table 1. Drug Seizures in the Gulf Coast HIDTA Region, in Kilograms, 2008

	Powder Cocaine	Crack Cocaine	Methamphetamine	Marijuana	Heroin	CPDs (in dosage units)	MDMA (in dosage units)
Alabama	243.50	4.37	1.74	2,652.33	0.24	6,156.00	6,046.00
Arkansas	113.58	0.58	10.06	1,076.69	0.00	3.00	270.00
Louisiana	650.12	17.30	55.67	2,585.01	15.00	30,223.00	410,322.00
Mississippi	308.69	6.63	3.77	1,906.63	0.00	1,660.00	14,503.50
Total	1,315.89	28.88	71.24	8,220.66	15.24	38,042.00	431,141.50

Source: Gulf Coast High Intensity Drug Trafficking Area.

alone or in association. Physicians working from pain management clinics in Louisiana and Houston are also significant sources for CPDs available in the region. Consequently, stricter regulations were enacted for pain management clinics operating in Louisiana in an attempt to diminish their ability to illicitly dispense CPDs. As a result, many pain management clinics were reconstituted and promoted as other types of medical centers, such as urgent care centers, to avoid the new regulations.

Marijuana distribution and abuse pose considerable threats to the Gulf Coast HIDTA region. Marijuana is widely available throughout the HIDTA region and is abused by members of all racial, ethnic, and social groups. Most of the marijuana available in the region is produced in Mexico, but some cannabis is grown locally at outdoor and, to a lesser degree, indoor grow sites. Much of the high-potency marijuana available in the region is transported from sources of supply in Canada and northern California.

MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) and heroin pose lower threats to most of the Gulf Coast HIDTA region. MDMA is available in the region. Caucasian and Asian criminal groups and, increasingly, African American criminal groups and street gangs distribute MDMA in the region. Heroin availability and abuse are at low levels throughout most of region; however, law enforcement officials in New Orleans—a city that historically has had high levels

of heroin availability and abuse—and Arkansas report that heroin is increasingly available.

Drug Trafficking Organizations

Mexican DTOs are the principal wholesale distributors of powder cocaine, Mexican brown powder and black tar heroin, methamphetamine, and commercial-grade marijuana in the Gulf Coast HIDTA region. Mexican DTOs transport these illicit drugs through the Gulf Coast HIDTA region to supply southeastern markets outside the HIDTA region. Most other wholesale and midlevel traffickers in the region rely on Mexican DTOs for these drugs. In 2008 violent acts committed by Mexican DTOs against other Mexican traffickers increased in the region; this violence is often initiated to collect drug debts and to intimidate other drug traffickers in the region.

African American criminal groups and street gangs are primary retail-level distributors in the Gulf Coast HIDTA region; these groups and gangs are increasingly becoming polydrug distributors. They distribute large amounts of powder and crack cocaine, commercial-grade marijuana, and heroin, and are more frequently distributing methamphetamine and MDMA that they obtain from African American criminal groups located in the Atlanta HIDTA and North Texas HIDTA regions. African American street gangs, such as Vice Lords

and Black Gangster Disciples, dominate crack cocaine distribution in urban areas such as Jackson, Mississippi. Many African American criminal groups are establishing drug distribution networks in rural areas of the region where they believe law enforcement agencies lack the resources to disrupt and dismantle their operations.

Hispanic criminal groups and street gangs distribute cocaine (powder and crack), commercial-grade marijuana, heroin, methamphetamine, and CPDs at the retail level. These groups obtain most of the illicit drugs that they distribute from Mexican DTOs. Hispanic street gangs in the region are typically more organized than African American street gangs and are more frequently connected to national-level street gangs.

Asian drug traffickers distribute MDMA and high-potency marijuana in the Gulf Coast HIDTA region. Asian DTOs distribute large amounts of MDMA in coastal communities of the HIDTA region in Alabama, Louisiana, and Mississippi. Large Vietnamese populations employed in the fishing industry in those communities allow Asian traffickers to blend into local communities. In addition, Asian DTOs distribute lesser amounts of MDMA and high-potency marijuana in other areas of the HIDTA.

Caucasian DTOs, criminal groups, and independent dealers are the principal cannabis cultivators, methamphetamine producers, and CPD distributors in the HIDTA region; they also distribute marijuana, MDMA and, to a lesser extent, cocaine. Caucasian traffickers cultivate cannabis and produce methamphetamine, most frequently in rural areas of Alabama and Arkansas.

Production

Illicit drug production in the Gulf Coast HIDTA region consists of small-scale methamphetamine production, outdoor and indoor cannabis cultivation, and crack cocaine conversion.

Drug Trafficking Organizations, Criminal Groups, and Gangs

Drug trafficking organizations are complex organizations with highly defined command and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.

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.

Gangs are defined by the National Alliance of Gang Investigators' Associations 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.

Small-scale methamphetamine production and cannabis cultivation often take place in rural areas of the region. Crack cocaine conversion takes place principally in urban areas of the region.

Caucasian DTOs, criminal groups, and independent dealers operate small-scale powder methamphetamine laboratories in the Gulf Coast HIDTA region. Law enforcement officials report low to moderate levels of methamphetamine production throughout most of the region. Methamphetamine laboratory seizure data suggest that methamphetamine production in the region is increasing after declining for the past several years. The number of reported methamphetamine laboratory seizures in the region decreased each year from 2004 through 2007; however, 2008 data indicate that methamphetamine production is increasing. According to National Seizure System (NSS) data, the number of reported methamphetamine laboratories seized in the Gulf Coast HIDTA region increased from 114 in 2007 to 195 in 2008. (See Table 2 on page 6.) The increase in methamphetamine production has been accomplished largely by individuals and criminal

Table 2. Methamphetamine Laboratories Seized in Gulf Coast HIDTA Counties, 2004–2008

	2004	2005	2006	2007	2008
Alabama	60	62	26	21	57
Arkansas	165	109	76	67	80
Louisiana	44	9	5	2	1
Mississippi	71	39	21	24	57
Total	340	219	128	114	195

Source: National Seizure System, data run on March 16, 2009.

groups that circumvent pseudoephedrine sales restrictions by making numerous small-quantity purchases of products containing pseudoephedrine (this method of acquiring pseudoephedrine is often referred to as “smurfing”) and by using the one-pot cook method, sometimes called the “shake and bake” method.⁴ (See text box.) Most methamphetamine laboratories seized in the region used pseudoephedrine and the iodine/red phosphorus or anhydrous ammonia methods of production.

Caucasian DTOs, criminal groups, and independent growers are the primary cannabis cultivators in the Gulf Coast HIDTA region; most grow sites are located outdoors because of the region’s temperate climate. According to Domestic Cannabis Eradication/Suppression Program (DCE/SP) data, 59,380 cannabis plants were eradicated from outdoor grow sites, and 2,518 plants were eradicated from indoor sites in Alabama, Arkansas, Louisiana, and Mississippi in 2008.⁵ Over 95 percent of the cannabis plants

4. Ephedrine and pseudoephedrine smurfing is a method used by some methamphetamine traffickers to acquire large quantities of precursor chemicals. Methamphetamine producers purchase the chemicals in quantities at or below legal thresholds from multiple retail locations. Methamphetamine producers often enlist the assistance of several friends or associates in smurfing operations to increase the speed of the operation and the quantity of chemicals acquired.
5. Domestic Cannabis Eradication/Suppression Program (DCE/SP) data are available only at the state level. Moreover, DCE/SP changed the methodology for collecting data in 2007 by adding eradication totals from public land agencies. Therefore, 2007 data from outdoor operations cannot be compared with previous years’ data.

One-Pot, or Shake and Bake, Methamphetamine Production

A one-pot cook is actually a variation of the anhydrous ammonia method of production; however, in the one-pot method, cooks use a combination of commonly available chemicals to synthesize the anhydrous ammonia essential for methamphetamine production. In doing so, they are able to produce the drug in approximately 30 minutes at nearly any location by mixing ingredients in easily found containers, such as a 2-liter plastic soda bottle, as opposed to using other methods that require hours to heat ingredients on a stove, a process that could result in toxic fumes, primarily from the anhydrous ammonia. Producers often use the one-pot cook while traveling in vehicles and dispose of waste components along roadsides. Discarded plastic bottles may carry residual chemicals that can be toxic, explosive, or flammable.

eradicated from outdoor grow sites in 2008 were eradicated in Alabama and Arkansas. (See Table 3 on page 7.)

Indoor cannabis cultivation takes place at low levels throughout the Gulf Coast HIDTA region. The number of indoor plants eradicated from grow operations in Alabama, Arkansas, Louisiana, and Mississippi decreased overall from 2004 through 2008. (See Table 3 on page 7.) Law enforcement officers report that some marijuana producers prefer to cultivate cannabis indoors to avoid law enforcement detection and to increase the quality of the marijuana produced. The controlled environment, combined with sophisticated growing techniques such as hydroponics, typically yields high-potency marijuana. Moreover, indoor cannabis operations can be conducted year-round, yielding four to six harvests per year, compared with the two harvests per year that are typical for outdoor cultivation. In October 2008 law enforcement officers in Jefferson

Table 3. Cannabis Plants Eradicated at Outdoor and Indoor Grow Sites in Alabama, Arkansas, Louisiana, and Mississippi, 2004–2008

	Outdoor					Indoor				
	2004	2005	2006	2007	2008	2004	2005	2006	2007	2008
Alabama	54,379	91,475	47,920	26,357	36,118	577	139	257	291	748
Arkansas	33,289	46,030	12,821	28,536	20,373	1,144	52	680	1,004	844
Louisiana	5,187	2,460	3,562	1,664	1,652	1,638	1,240	1,605	1,375	426
Mississippi	1,290	897	2,346	2,167	1,237	1,197	2,207	53	233	500
Total	94,145	140,862	66,649	58,724	59,380	4,556	3,638	2,595	2,903	2,518

Source: Domestic Cannabis Eradication/Suppression Program.

County, Alabama, seized more than 500 cannabis plants and over \$75,000 in what was reported to be the largest indoor cannabis grow site seized in the state's history. The grow site was secreted in a warehouse located in a Birmingham (Jefferson County) suburb. The elaborate operation used separate rooms for mother plants, seedlings, full-grown plants, and drying leaves.

Retail-level crack cocaine distributors, generally African American criminal groups and street gangs, convert powder cocaine to crack at various locations, including crack houses and stash houses, predominantly in urban areas. After converting the powder cocaine to crack, distributors typically break the crack into small pieces, or rocks, and sell it in the neighborhoods where it was produced. Moreover, many crack cocaine distributors are selling loose rocks of crack without packaging; law enforcement officials report that the absence of packaging most likely indicates that the drug was recently converted.

Transportation

The Gulf Coast HIDTA region has a highly developed transportation infrastructure composed of highways, such as Interstates 10, 20, and 40, that link it to drug sources along the Southwest Border and to eastern U.S. drug markets such as Atlanta. (See Figure 2 on page 8.) DTOs routinely exploit

this infrastructure to transport illicit drugs into and through the region. Traffickers most commonly use private and commercial vehicles to transport illicit drugs into and through the region along primary roadways; they also transport drug proceeds back to source areas, using the same conveyances and routes. Consequently, the Gulf Coast HIDTA region is the primary transit area used by Mexican DTOs to transport illicit drugs overland from sources of supply in Mexico, Arizona, California, and Texas to Atlanta and other areas in the southeast such as Tennessee and North Carolina.

Mexican DTOs transport powder cocaine, ice methamphetamine, commercial-grade marijuana, and Mexican brown powder and black tar heroin from Arizona, California, Texas, and Mexico through the Gulf Coast HIDTA region to Atlanta using I-10 and I-20 and to Tennessee and North Carolina using I-40. Some of these drugs are sold to traffickers in the Gulf Coast HIDTA region, but most are transported to Atlanta and North Carolina. In addition, midlevel and retail-level traffickers in the Gulf Coast HIDTA region use private vehicles to travel to distribution centers in Atlanta, Dallas, Houston, and Memphis to purchase drugs and return to the region to sell them. For example, in October 2008 Alabama State Police troopers seized 10 pounds of marijuana and 300 MDMA tablets from traffickers using a rental vehicle to transport the drugs on I-85 from Atlanta to Montgomery, Alabama.

Figure 2. Gulf Coast HIDTA Region Transportation Infrastructure



The extensive coastline and developed port structure in the Gulf Coast represent a smuggling opportunity for drug traffickers. Major port facilities operate in Gulfport, Mobile, South Louisiana, and New Orleans. The Port of South Louisiana, consisting of port facilities between New Orleans and Baton Rouge, is the largest cargo port in the United States by tonnage. It is a diverse general cargo port, handling containerized cargo such as apparel, food products, mineral ore, and consumer merchandise; the port handled 225.5 million tons of general cargo in 2008. The Port of New Orleans is also a leading U.S. cargo port and averaged 8.6 million tons of general cargo handled from 2003 through 2007 (the latest year for which data are

available). In 2008, several packages containing illicit drugs were found washed up on the shoreline along the Gulf Coast, and in August 2008, law enforcement officers seized over 907 pounds of marijuana from a maritime vessel docked at the Port of New Orleans; however, the full extent of drug-related transportation through maritime conveyances in the region is an intelligence gap.

Law enforcement officials occasionally seize drugs from air cargo, commercial air passengers, and package delivery services in the Gulf Coast HIDTA region. According to NSS data, law enforcement officials in the Gulf Coast HIDTA region seized 2.09 kilograms of cocaine, 0.90 kilograms of

hallucinogens, and 5,000 dosage units of MDMA from air cargo and package delivery services in 2008. In addition, law enforcement officers in Mississippi report that Caucasian and Mexican traffickers are using package delivery services to transport high-potency marijuana called “purple kush” from Sacramento, California, to Mississippi. The Louis Armstrong New Orleans International Airport is the largest airport in the Gulf Coast HIDTA region, servicing almost 8 million domestic and international passengers and handling nearly 100 million pounds of domestic freight and mail in 2008. The airport affords traffickers the opportunity to transport drugs by courier or by concealing them among legitimate goods. Additional international airports are located in Birmingham and Huntsville; Jackson; and Alexandria, Louisiana, as well as numerous metropolitan and regional airports in other cities that provide additional trafficking opportunities.

Distribution

Mexican DTOs dominate the wholesale and midlevel distribution of powder cocaine, ice methamphetamine, commercial-grade marijuana, and Mexican brown powder and black tar heroin in the Gulf Coast HIDTA region. Most other midlevel and retail-level distributors obtain these illicit drugs from Mexican DTOs. Mexican DTOs distribute most of the illicit drugs to African American and Hispanic street gangs and criminal groups and, to a lesser degree, Caucasian traffickers, who distribute the drugs at the retail level.

A number of DTOs, criminal groups, and local independent dealers distribute illicit drugs at the retail level in the region, and their methods of operation change little from year to year. Retail-level distribution takes place at open-air drug markets, at housing projects, in local clubs, in private residences, and at prearranged meeting sites such as parking lots. African American criminal groups and street gangs dominate crack cocaine distribution in urban areas; they are

increasingly distributing MDMA and methamphetamine to African American and Caucasian abusers in nightclubs and bars. Caucasian criminal groups and local independent dealers are the primary distributors of methamphetamine and CPDs throughout the region. Hispanic criminal groups and street gangs distribute cocaine (powder and crack), commercial-grade marijuana, heroin, methamphetamine, and CPDs at the retail level. Additionally, Asian criminal groups distribute significant quantities of MDMA and CPDs in the coastal communities of Mississippi. Marijuana is sold by all racial/ethnic groups and across all socioeconomic classes; marijuana sales represent the primary source of income for many distributors because of the large customer base and ready availability of marijuana.

Traffickers and abusers illicitly obtain CPDs through traditional diversion methods (primarily doctor-shopping, theft, forged prescriptions, and unscrupulous physicians and pharmacists working alone or in association); physicians working from pain management clinics in Louisiana and Houston are significant sources for CPDs available in the region. Consequently, the Louisiana Administrative Code was updated in May 2008 to further restrict operating regulations for pain management clinics, requiring them to be owned by pain management specialists who must be licensed by the state of Louisiana.⁶ As a result, many pain management clinics were reconstituted and promoted as other types of medical centers, such as urgent care centers, in an attempt to circumvent the new regulations. CPDs are also diverted through Internet sales by rogue Internet pharmacies.⁷ However, the number of sites

6. Louisiana Administrative Code (LAC) Title 48:I.Chapter 78 §7803.A became effective May 30, 2008. The code provides, in part, that except as specified in §7803.B, each clinic shall be 100 percent owned and operated by a physician certified in the subspecialty of pain management by a member of the American Boards of Medical Specialties, and the clinic must obtain a license issued by the department to operate.

7. Rogue Internet pharmacies are unlicensed, fraudulent, and disreputable businesses that sell CPDs illegally.

offering such drugs has decreased, most likely because of increased law enforcement pressure through improved cooperation among federal and state law enforcement agencies, Internet service providers (ISPs), package delivery services, and financial services companies typically used by rogue Internet pharmacy operators. Furthermore, federal legislation designed to reduce the number of rogue Internet pharmacies that sell CPDs was enacted in 2008. (See text box.)

Retail-level traffickers typically facilitate drug sales in the Gulf Coast HIDTA region using electronic communications, usually cell phones and the Internet. Many traffickers use a particular cell phone for a limited time before switching to a different cell phone with a new number to reduce the possibility of law enforcement monitoring. Many traffickers prefer prepaid mobile telephones with local numbers; once the minutes are used, the telephone is discarded. Traffickers also conduct drug sales using the text messaging

The Ryan Haight Online Pharmacy Consumer Protection Act of 2008

The Ryan Haight Online Pharmacy Consumer Protection Act of 2008 was enacted in October 2008. This federal law amends the Controlled Substances Act and prohibits the delivery, distribution, and dispensing of CPDs over the Internet without a prescription written by a doctor who has conducted at least one in-person examination of the patient. Provisions of the law increase the criminal penalties for illegal Internet prescribing of Schedules III, IV, and V controlled substances. The law will most likely deter some Internet pharmacy operators from engaging in “script mill” practices, which provide alleged medical consultations (for a fee) and prescriptions that are sent to local pharmacies or directly to customers, who can take them to a pharmacy to be filled.

capabilities on cell phones in an attempt to avoid law enforcement intercepts. In addition, Internet chat rooms and blogs have become a popular method of communication for drug traffickers to arrange sales. African American street gang members also use the Internet to communicate, facilitate gang activities, and spread gang culture.

Drug-Related Crime

Drug distributors and abusers in the Gulf Coast HIDTA region often engage in various criminal acts to sustain their drug-related activities. Law enforcement reporting indicates that crack cocaine is the illicit drug most often associated with violent and property crime in the region. According to NDTs 2009 data, 63 of the 89 law enforcement respondents in the Gulf Coast HIDTA region report that crack cocaine is the drug that most contributes to violent crime in their jurisdictions, and 56 respondents report the same for property crime. New Orleans continues to experience high levels of crime. Federal Bureau of Investigation (FBI) Uniform Crime Report (UCR) data reveal that violent crime in the New Orleans metropolitan statistical area⁸ increased from 2006 to 2007—this report does not overtly link drug trafficking and violent crime. UCR data for 2006 indicate that violent crime in the area increased from 6,953 reported offenses to 7,938 reported offenses in 2007 (the latest year for which such data are available).⁹ Property crime increased from 41,679 reported offenses in 2006 to 46,419 reported offenses in 2007.

8. The New Orleans-Metairie-Kenner metropolitan statistical area (MSA) includes Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, and St. Tammany Parishes.
9. Federal Bureau of Investigation (FBI) Uniform Crime Report (UCR) data include murder and nonnegligent homicide, forcible rape, robbery, and aggravated assault as violent crime. FBI UCR data indicate that the New Orleans MSA had a violent crime rate of 773.2 per 100,000 inhabitants in 2007 and a murder rate of 28.2 per 100,000 inhabitants that same year. In 2006, the New Orleans MSA had a violent crime rate of 556.0 per 100,000 inhabitants and a murder rate of 21.7 per 100,000 inhabitants.

Nonetheless, the murder rate in the city dropped from 2007 through 2008, according to the New Orleans Police Department. According to the New Orleans Police Department, the number of murders reported in the city declined from 210 murders in 2007 to 179 in 2008. The New Orleans Police Department reports that part of this decrease is attributed to an increased presence of law enforcement officers in the city. The number of officers in the New Orleans Police Department increased from 1,370 officers in 2007 to 1,500 officers in 2008; the city was also aided by the presence of the Louisiana State Police and National Guard, which provided additional coverage in high-crime areas.

Mexican traffickers are increasingly committing violent acts in the Gulf Coast HIDTA region. Law enforcement officers report that Mexico-based organizations appear to be sending small teams of “enforcers” from Mexico to the southeastern United States, including parts of the Gulf Coast HIDTA region, to intimidate rival DTOs and criminal groups and to recoup drug debts. For example, in August 2008 the bodies of five murdered Mexican nationals were discovered bound, beaten, and with their throats slashed in a Shelby County, Alabama, apartment.¹⁰ Law enforcement officers arrested four Mexican nationals for these murders; officers suspect that the murders were the result of missing illicit drug proceeds.

Abuse

Cocaine, both powder and crack, is the primary illicit substance most often identified in treatment admissions to publicly funded facilities in Louisiana and Mississippi. According to data from the Substance Abuse and Mental Health Services Administration (SAMHSA) Treatment Episode Data Set (TEDS), the number of

10. Shelby County is not a designated HIDTA county; however, it is adjacent to Jefferson County, a designated HIDTA county. Birmingham, Alabama, is in Jefferson County; much of Shelby County is a suburb of Birmingham.

cocaine-related treatment admissions in Louisiana in 2007 (the latest year for which such data are available) exceeded the number of treatment admissions for marijuana; other opiates, tranquilizers, and sedatives; amphetamines (including methamphetamine); and heroin. (See Table A1 in Appendix A.)

Methamphetamine abuse levels are stable throughout the region; the drug is readily available and typically of high purity. Abuse of methamphetamine is highest in rural areas of Alabama and Arkansas. Law enforcement officers in Arkansas report that Caucasian methamphetamine abusers are increasingly using crack cocaine and CPDs.

CPDs are widely available and frequently abused throughout the Gulf Coast HIDTA region. The most commonly abused CPDs are analgesic patches, Dilaudid, hydrocodone, methadone, OxyContin, and Xanax, as well as the prescription drug Soma. Law enforcement officers report that CPDs are a growing problem among Caucasian young adults. In addition, the Mississippi Bureau of Narcotics reports that most drug overdose deaths reported in Mississippi are the result of decedents’ use of a combination of CPDs such as hydrocodone and Xanax.

Heroin abuse is limited throughout most of the Gulf Coast HIDTA region. The abuse of heroin is largely confined to an established population of African American and Caucasian long-term heroin abusers in and around New Orleans; however, abuse by Caucasian teenagers and young adults may be increasing in the New Orleans area. Law enforcement reporting suggests that heroin abuse is increasing in other areas of the Gulf Coast HIDTA region as well, such as Alabama and Arkansas. Heroin sold for \$120 per gram in Arkansas in 2008 and was increasingly abused by Caucasian males, who injected the drug.

Illicit Finance

Drug traffickers in the Gulf Coast HIDTA region launder illicit funds generated by drug sales through a variety of methods. The movement of illicit proceeds from the region typically involves the transportation of bulk currency from the region to the Southwest Border area. According to NDTs 2009 data, 34 of the 89 law enforcement agency respondents in the Gulf Coast HIDTA region report that bulk cash is smuggled at moderate to high levels in their jurisdictions. Mexican traffickers in the region rely on bulk cash shipments to transport drug proceeds to the Southwest Border area and to Mexico; bulk cash proceeds from drug sales in many eastern U.S. markets are consolidated in Atlanta and later transported through the Gulf Coast HIDTA. Gulf Coast HIDTA Blue Lightning Operations Center (BLOC) seizure data illustrate the volume of bulk cash transported through the region annually. In 2008 law enforcement interdiction efforts along interstate highways in the Gulf Coast HIDTA region resulted in the seizure of nearly \$23 million.¹¹

Traffickers also launder illicit drug proceeds through money services businesses, structured bank deposits, purchases of real estate and luxury items, cash-intensive businesses and, to a lesser degree, riverboat casinos.¹² Mexican traffickers use wire transfers and money remitters to send drug proceeds to their sources of supply in Mexico. Some traffickers also use third-party individu-

11. Blue Lightning Operations Center (BLOC) seizure data indicate that over \$22.7 million were seized along roads and highways in Alabama, Arkansas, Louisiana, and Mississippi; approximately half of the \$22.7 million (\$11 million) was seized along Interstates 10 and 20.

12. Riverboat casinos represent another opportunity for drug traffickers to structure drug proceeds; however, the need to keep structured deposits under federal reporting thresholds and the records created by riverboat casinos for all transactions discourage many drug traffickers from using casinos to launder proceeds on a regular basis.

als to purchase residential properties in urban areas, secure loans for improvements, and launder drug proceeds through loan payments, investments, and rental fees.

Outlook

Mexican DTOs will continue to use Gulf Coast highways as the primary transportation corridor for illicit drugs that they transport from the Southwest Border area to Atlanta for further distribution to eastern drug markets. Mexican DTOs have established distribution and transportation networks that are unrivaled by any other organizations in the region and will remain so in the near term. Law enforcement efforts in Mexico and along the Southwest Border, combined with intercartel violence, might sporadically disrupt the flow of illicit drugs to and through the Gulf Coast HIDTA region. Nonetheless, it is unlikely that potential disruptions will sufficiently weaken Mexican DTO dominance over the wholesale distribution of powder cocaine, commercial-grade marijuana, ice methamphetamine, and heroin in the Gulf Coast HIDTA region.

Local methamphetamine production in the Gulf Coast HIDTA region will most likely increase moderately in the near term. A rising number of small-scale methamphetamine laboratories and the emergence of pseudoephedrine smurfing operations in the region create conditions conducive to an increase in local methamphetamine production.

Heroin availability will most likely increase in some Gulf Coast HIDTA cities that had not been considered to be heroin markets, but overall availability will remain low. Mexican DTOs and Hispanic traffickers have increasingly marketed Mexican heroin in the region, specifically in portions of Alabama and Arkansas.

Appendix A

Table A1. Drug-Related Treatment Admissions to Publicly Funded Facilities in Arkansas, Alabama, Mississippi, and Louisiana, by Drug, 2003–2007

Cocaine (All Routes of Admission)					
	2003	2004	2005	2006	2007
Alabama	4,424	4,337	4,368	4,702	NA
Arkansas	2,480	2,170	2,126	2,182	1,843
Louisiana	7,510	7,455	6,704	6,207	6,529
Mississippi	2,451	2,239	1,990	1,780	NA
Total	16,865	16,201	15,188	14,871	8,372
Marijuana					
	2003	2004	2005	2006	2007
Alabama	6,232	5,533	5,563	5,927	NA
Arkansas	2,841	2,997	2,620	2,609	2,713
Louisiana	5,772	6,310	5,504	4,771	5,417
Mississippi	2,196	2,007	1,521	1,260	NA
Total	17,041	16,847	15,208	14,567	8,130
Amphetamines (Including Methamphetamine)					
	2003	2004	2005	2006	2007
Alabama	1,713	1,987	1,956	1,768	NA
Arkansas	3,015	3,150	3,417	2,943	2,551
Louisiana	792	1,055	1,229	949	978
Mississippi	658	614	617	457	NA
Total	6,178	6,806	7,219	6,117	3,529
Heroin					
	2003	2004	2005	2006	2007
Alabama	176	200	184	68	NA
Arkansas	65	44	25	40	40
Louisiana	507	425	258	269	408
Mississippi	95	76	53	43	NA
Total	843	745	520	420	448
Other Opiates, Tranquilizers, and Sedatives					
	2003	2004	2005	2006	2007
Alabama	1,488	1,596	1,844	1,844	NA
Arkansas	722	880	1,014	1,062	1,517
Louisiana	2,363	3,040	2,800	2,517	3,235
Mississippi	704	791	702	658	NA
Total	5,277	6,307	6,360	6,081	4,752

Source: Treatment Episode Data Set, run date March 26, 2009.

NA—Not available

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Sources

Local, State, and Regional

Alabama

Abbeville Police Department
 Alabaster Police Department
 Alexander City Police Department
 Tallapoosa County Narcotics Task Force
 Andalusia Police Department
 Anniston Police Department
 Calhoun/Cleburne County Drug Task Force
 Auburn Police Department
 Bayou La Batre Police Department
 Bessemer Police Department
 Birmingham Police Department
 Blount County Sheriff's Department
 Blount County Drug Task Force
 Brighton Police Department
 Central Alabama Drug Task Force
 Chambers County Sheriff's Department
 Chambers County Multi-Jurisdictional Drug Task Force
 Clarke County Sheriff's Office
 First Judicial Drug Task Force
 Colbert County Sheriff's Department
 Colbert County Drug Task Force
 Creola Police Department
 Cullman County Sheriff's Office
 Cullman Narcotics Enforcement Team
 Dale County Sheriff's Office
 Daleville Department of Public Safety
 Dallas County Sheriff's Department
 Daphne Police Department
 Decatur Police Department
 DeKalb County Drug Task Force
 Demopolis Police Department
 Dothan Police Department
 Elba Police Department
 Escambia County Sheriff's Office
 21st Judicial Circuit Drug Task Force
 Etowah County Drug Enforcement Unit
 Etowah County Sheriff's Department
 Eufaula Police Department
 Fairfield Police Department
 Florence Police Department
 Fort Payne Police Department
 Gadsden Police Department
 Georgiana Police Department

Haleyville Police Department
 Hartselle Police Department
 Hoover Police Department
 Huntsville Police Department
 Irondale Police Department
 Jackson Police Department
 First Judicial Drug Task Force
 Jasper Police Department
 Lanett Police Department
 Lauderdale Drug Task Force
 Lincoln Police Department
 Talladega County Drug and Violent Crime Task Force
 Livingston Police Department
 Lowndes County Sheriff's Department
 Second Judicial Drug Task Force
 Madison County Sheriff's Department
 Marshall County Drug Enforcement Unit
 Millbrook Police Department
 Mobile County Sheriff's Office
 Narcotics Unit
 Mobile Police Department
 Monroe County Sheriff's Office
 35th Judicial District Task Force
 Montgomery County Sheriff's Office
 Montgomery Police Department
 Moody Police Department
 Mountain Brook Police Department
 Northport Police Department
 Opelika Police Department
 Oxford Police Department
 Pell City Police Department
 Pike County Sheriff's Department
 Rainsville Police Department
 Shelby County Sheriff's Office, Narcotics Unit
 St. Clair County Sheriff's Office
 Thomasville Police Department
 Troy Police Department
 Tuscaloosa County Sheriff's Department
 Tuscaloosa Police Department
 Tuscumbia Police Department
 Walker County Sheriff's Department
 Drug Task Force
 West Alabama Narcotics Task Force
 Winston County Sheriff's Office

Arkansas

Arkansas County Sheriff's Department
 Arkansas State Police
 Ashdown Police Department
 Barling Police Department

Benton County Sheriff's Office
Bentonville Police Department
Blytheville Police Department
Brinkley Police Department
Bryant Police Department
Camden Police Department
Clark County Sheriff's Office
Clarksville Police Department
Conway County Sheriff's Office
Conway Police Department
Crawford County Sheriff's Department
Crittenden County Sheriff's Department
Cross County Sheriff's Office
De Queen Police Department
Desha County Sheriff's Department
Dumas Police Department
El Dorado Police Department
Eureka Springs Police Department
Fayetteville Police Department
Forrest City Police Department
Fort Smith Police Department
Franklin County Sheriff's Department
Garland County Sheriff's Department
Gravette Police Department
Greene County Sheriff's Department
Harrison Police Department
Hope Police Department
Hot Springs Police Department
Independence County Sheriff's Department
Jackson County Sheriff's Department
Jacksonville Police Department
Jonesboro Police Department
Lafayette County Sheriff's Office
Little Rock Police Department
Logan County Sheriff's Office
Lonoke County Sheriff's Office
Lowell Police Department
Marion Police Department
McGehee Police Department
Mena Police Department
Montgomery County Sheriff's Office
Morrilton Police Department
Newport Police Department
North Little Rock Police Department
Osceola Police Department
Paragould Police Department
Perry County Sheriff's Department
Pine Bluff Police Department
Polk County Sheriff's Department
Pope County Sheriff's Office

Pulaski County Sheriff's Office
Sevier County Sheriff's Department
Sheridan Police Department
Sherwood Police Department
Springdale Police Department
4th Judicial Drug Task Force
St. Francis County Sheriff's Department
Stuttgart Police Department
Texarkana Arkansas Police Department
Union County Sheriff's Department
Warren Police Department
Washington County Sheriff's Office
West Memphis Police Department
White County Sheriff's Department
White Hall Police Department
Wynne Police Department

Louisiana

Acadia Parish Sheriff's Office
Alexandria Police Department
Alexandria City Police Narcotics
Allen Parish Sheriff's Department
Ascension Parish Sheriff's Office
Avoyelles Parish Sheriff's Department
Baton Rouge Police Department
Beauregard Parish Sheriff's Department
Bossier City Police Department
Bossier Parish Sheriff's Office
Caddo Parish Sheriff's Office/Caddo
Shreveport Narcotics Task Force
Calcasieu Parish Sheriff's Office
Calcasieu Parish Combined Anti-Drug Team Narcotics
Task Force
Cameron Parish Sheriff's Office
Catahoula Parish Sheriff's Office
Church Point Police Department
Claiborne Parish Sheriff's Office
Concordia Parish Sheriff's Office
Denham Springs Police Department
DeSoto Parish Sheriff's Office
East Baton Rouge Parish Sheriff's Office
Franklinton Police Department
Gretna Police Department
Harahan Police Department
Iberville Parish Sheriff's Office
LEAD Drug Task Force
Jefferson Parish Sheriff's Office
Kenner Police Department
Lafayette Metro Narcotics Task Force
Lafayette Parish Sheriff's Department

Lafayette Police Department
 Lafourche Parish Sheriff's Office
 Lafourche Parish Drug Task Force
 Lake Charles Police Department
 Calcasieu Parish Anti-Drug Team Narcotics Task Force
 Livingston Parish Sheriff's Office
 Tri-Parish Narcotics Task Force
 Louisiana State Police
 Madison Parish Sheriff's Office
 Marksville Police Department
 Monroe Police Department
 Metro Narcotics DEA/HIDTA Task Force
 Morehouse Parish Sheriff's Office
 North Louisiana Drug Enforcement Bureau
 Natchitoches Police Department
 Natchitoches Multi-jurisdictional Drug Task Force
 New Orleans Police Department
 New Roads Police Department
 Ouachita Parish Sheriff's Office
 Metro Narcotics-DEA/HIDTA Task Force
 Plaquemines Parish Sheriff's Office
 Rapides Parish Sheriff's Department
 Richwood Police Department
 Shreveport Police Department
 Caddo/Shreveport Narcotics Unit
 St. Bernard Parish Sheriff's Office
 St. Charles Parish Sheriff's Office
 St. James Parish Sheriff's Office
 St. John the Baptist Parish Sheriff's Department
 St. Landry Parish Sheriff's Office
 St. Mary Parish Sheriff's Department
 St. Mary Parish Multijurisdictional Drug Task Force
 St. Tammany Parish Sheriff's Office
 Sulphur City Police Department
 Vernon Parish Sheriff's Office
 Washington Parish Sheriff's Office
 Webster Parish Sheriff's Office
 Welsh Police Department
 Winnfield Police Department
 Zachary Police Department

Mississippi

Aberdeen Police Department
 Adams County Sheriff's Office
 Natchez-Adams County Metro Narcotics Unit
 Alcorn County Sheriff's Department
 Amory Police Department
 Attala County Sheriff's Department
 Baldwin Police Department

Batesville Police Department
 Panola County Narcotics Task Force
 Biloxi Police Department, Special Crimes Unit
 Booneville Police Department
 Criminal Investigation Division
 Brandon Police Department
 Canton Police Department
 Chickasaw County Sheriff's Department
 Houston City Police Department
 Clinton Police Department
 Columbia Police Department
 Pearl River Basin Narcotics Task Force
 Desoto County Sheriff's Office Narcotics Division
 Durant Police Department
 Florence Police Department
 Forrest County Sheriff's Department
 Metro Narcotics
 Greenville Police Department
 Greenwood Police Department
 Grenada Police Department
 Gulfport Police Department
 Harrison County Sheriff's Department
 Biloxi Police Department, Special Crimes Unit
 Hattiesburg Police Department
 Hazlehurst Police Department
 Hernando Police Department
 Hinds County Sheriff's Office
 Mississippi Gulf Coast HIDTA Operations Center
 Humphreys County Sheriff's Department
 Itawamba County Sheriff's Office
 Jackson Police Department
 Jones County Sheriff's Office
 Kosciusko Police Department
 Lafayette County Metro Narcotics Unit
 Lamar County Sheriff's Department
 Leake County Sheriff's Office
 Lee County Sheriff's Office
 North Mississippi Narcotics Unit
 Long Beach Police Department
 Lucedale Police Department
 Macon Police Department
 Magee Police Department
 Marion County Sheriff's Department
 Marshall County Sheriff's Department
 McComb Police Department
 Southwest Mississippi Narcotics Unit
 Meridian Police Department
 East Mississippi Drug Task Force
 Mississippi Bureau of Narcotics
 Monroe County Sheriff's Department

Natchez Police Department
 Natchez Adams County Metro Narcotics Unit
 Neshoba County Sheriff's Department
 Ocean Springs Police Department
 Panola County Sheriff's Office
 Panola County Narcotics Task Force
 Pascagoula Police Department
 Picayune Police Department
 Pike County Sheriff's Department
 Pontotoc Police Department
 Poplarville Police Department
 Prentiss County Sheriff's Office
 Quitman Police Department
 Rankin County Sheriff's Department
 Scott County Sheriff's Department
 Senatobia Police Department
 Simpson County Sheriff's Office
 Tunica County Sheriff's Department
 Tupelo Police Department
 North Mississippi Narcotic Unit
 Union County Sheriff's Department
 Vicksburg Police Department
 Walthall County Sheriff's Office
 Southwest Mississippi Narcotics Unit
 Washington County Sheriff's Department
 Water Valley Police Department
 Waveland Police Department
 Waynesboro Police Department
 South Mississippi Drug Task Force
 Wiggins Police Department

Federal

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 Office of National Drug Control Policy
 High Intensity Drug Trafficking Areas
 Atlanta
 Gulf Coast
 U.S. Department of Commerce
 U.S. Census Bureau
 U.S. Department of Health and Human Services
 National Institutes of Health
 National Institute on Drug Abuse
 Community Epidemiology Work Group
 U.S. Department of Homeland Security
 Blue Lightning Operations Center
 U.S. Immigration and Customs Enforcement

U.S. Department of Justice
 Drug Enforcement Administration
 New Orleans Field Division
 Jackson District Office
 Domestic Cannabis Eradication/Suppression Program
 El Paso Intelligence Center
 National Seizure System
 Federal Bureau of Investigation
 Uniform Crime Report
 U.S. Department of Transportation
 Bureau of Transportation Statistics
 U.S. Department of the Treasury
 Internal Revenue Service
 U.S. Attorneys Offices
 Eastern District of Louisiana
 Middle District of Alabama
 Northern District of Alabama

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**Questions and comments may be directed to
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