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# Northern California

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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# Preface

This assessment provides a strategic overview of the illicit drug situation in the Northern California 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 Northern California HIDTA.

**Figure 1. Northern California High Intensity Drug Trafficking Area**



## Strategic Drug Threat Developments

- Ice methamphetamine trafficking and abuse are the most significant drug threats to the Northern California HIDTA region. More drug-related crimes, including violent crimes and property crimes, are attributed to methamphetamine trafficking and abuse than to any other illicit drug. Mexican drug trafficking organizations (DTOs) are the primary transporters and distributors of the drug.
- After a steady decline in methamphetamine production in the HIDTA region since 2004, methamphetamine superlab<sup>1</sup> seizures increased from one laboratory in 2006 to four laboratories in 2008. Large-scale pseudoephedrine “smurfing”<sup>2</sup> operations by Mexican DTOs and criminal groups that employ numerous individuals to purchase cold medications from local retailers are the likely sources of precursor chemical supplies for these superlabs.
- Cannabis cultivation has increased dramatically in the Northern California HIDTA region over the last 5 years, making the region one of the most prominent marijuana production areas in the nation. The number of outdoor cannabis plants seized increased each year from 123,801 in 2004 to 985,993 in 2008, while the number of indoor plants seized increased overall from 5,684 in 2004 to 67,953 in 2008.

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1. Superlabs are laboratories in which more than 10 pounds of methamphetamine can be produced per production cycle.

2. Methamphetamine producers employ numerous individuals to make multiple purchases of pseudoephedrine at or below the legal limits from various locations, sometimes within numerous jurisdictions. This practice is known as smurfing.

## HIDTA Overview

The Northern California HIDTA region consists of 10 counties in the San Francisco Bay area—Alameda, Contra Costa, Lake, Marin, Monterey, San Francisco, San Mateo, Santa Clara, Santa Cruz, and Sonoma. (See [Figure 1 on page 1](#).) The region encompasses major metropolitan areas, including Oakland, San Francisco, and San Jose, and expansive, sparsely populated rural areas. Proximity to illicit drug source areas and an adaptable abuser population have rendered the HIDTA region a national-level transportation center and significant abuse area for illicit drugs supplied by Mexican and, to a lesser extent, Asian DTOs. In addition to supplying drug markets in the region, Mexican and Asian DTOs transport various illicit drugs from the area to markets throughout the United States, including markets in the Pacific Northwest, the Midwest, and Hawaii.

A multifaceted transportation infrastructure links the HIDTA region directly to Mexico and Canada—major illicit drug production and source areas—as well as to methamphetamine production areas in central and southern California and marijuana production areas in central and northern California. This infrastructure also links the HIDTA region to major drug markets throughout the nation. Interstate 80, a major east-west corridor, connects San Francisco to New York, New York. U.S. Highway 101, a north-south corridor, provides direct access to the region from Mexico and Canada. International airports and maritime ports further facilitate illicit drug smuggling into and through the area, particularly from Asia and Europe. The San Francisco International Airport is the fourteenth-busiest airport in the United States and the twenty-third-busiest in the world in the number of passengers processed. The Port of Oakland is one of the five largest container ports in North America and one of the top 20 worldwide.

## Drug Threat Overview

Methamphetamine, primarily ice methamphetamine, trafficking and abuse pose the most significant drug threats in the Northern California HIDTA region. Thirty-seven of the 45 state and local law enforcement agencies in the region responding to the National Drug Intelligence Center (NDIC) National Drug Threat Survey<sup>3</sup> (NDTS) 2009 identify methamphetamine as the greatest drug threat in their jurisdictions. These respondents also indicate that the majority of incidents involving violent crime and property crime perpetrated in their jurisdictions involve methamphetamine trafficking and abuse. (See [Table 4 on page 11.](#)) Most of the ice methamphetamine available in the area is produced by Mexican DTOs in Mexico and, to a lesser extent, in domestic laboratories in California. However, because of escalating violence among drug cartels in Mexico over the last year and Mexican Government restrictions on precursor chemical imports, HIDTA officials believe that more Mexican DTOs will move their production operations back to the United States, including the Northern California HIDTA region. In 2008, HIDTA law enforcement officers seized more than 500 pounds of methamphetamine (both powder and ice) with an estimated wholesale market value of over \$12 million.

Cannabis cultivation operations are extensive and increasing in magnitude throughout the HIDTA region, making northern California one of the most significant marijuana production areas in the nation. According to law enforcement officials, this situation has resulted from a combination of high abuse levels, increasing demand for high-potency

marijuana, and the exploitation of state medical marijuana laws by illegal cannabis cultivators and drug traffickers. Additionally, many federal, state, and local law enforcement agencies and task forces report an increase in the number of illegal outdoor and indoor cannabis grow sites in their jurisdictions as well as an increase in violent confrontations between law enforcement officers and cultivators who aggressively protect their grow sites—particularly during the September and October harvest season.

Powder and crack cocaine are widely available and frequently abused in the region. Many law enforcement officials and treatment providers report increasing powder cocaine abuse in the region. They attribute the increase, in part, to some methamphetamine abusers, primarily middle- and upper-income Caucasian adults and high school students, switching to powder cocaine as their drug of choice because of media campaigns warning of the dangers associated with methamphetamine abuse and a belief among some abusers that cocaine is safer to use because it is “organic.” Moreover, law enforcement officials in many of the large urban areas within the HIDTA region report very high levels of crack cocaine abuse; crack cocaine generally is the most abused illicit drug in urban areas of the region.

The availability and abuse of other illicit drugs cause significant concern to law enforcement officials and treatment providers in the Northern California HIDTA region. Mexican DTOs transport wholesale quantities of black tar heroin and, to a lesser extent, brown powder heroin from Michoacán, Mexico, for distribution within the HIDTA region. Asian criminal groups and street gangs distribute MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy), primarily in local nightclubs. These same trafficking groups may also be attempting to introduce other stimulants and hallucinogens to the region. For example, in late 2008, law enforcement officers in Marin and Contra Costa

3. 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.



Counties seized MDMA tablets containing a combination of BZP (N-benzylpiperazine) and TFMPP (1-(3-trifluoromethylphenyl)piperazine).<sup>4</sup> GHB (gamma-hydroxybutyrate), ketamine, LSD (lysergic acid diethylamide), PCP (phencyclidine), psilocybin, and Rohypnol (flunitrazepam) are distributed and abused to varying degrees throughout the region.

Diverted controlled prescription drugs (CPDs) are a growing threat, according to law enforcement officials in the HIDTA region. CPD abuse is taking place among all age groups and at high levels in the region. Distributors and abusers commonly divert CPDs through doctor-shopping, drug theft, prescription forgery, and Internet purchase. The ease with which drug traffickers and abusers obtain CPDs through the Internet is a growing concern for law enforcement officials and treatment providers in the HIDTA region. Benzodiazepines, hydrocodone, oxycodone, and synthetic opioids are the most frequently abused CPDs.

## Drug Trafficking Organizations

Mexican DTOs based in the Northern California HIDTA region are the principal illicit drug transporters, wholesale distributors, and producers in the area. Mexican DTOs typically smuggle cocaine, heroin, marijuana, and methamphetamine destined for the Northern California HIDTA region from Mexico through U.S. ports of entry (POEs) in Calexico, San Ysidro, and Otay Mesa, California. They also exploit well-established transportation routes for distribution from the area to drug markets throughout the United States. Moreover, Mexican DTOs

4. BZP is a common name for the synthetic stimulant N-benzylpiperazine. BZP tablets, especially those that also contain the hallucinogen TFMPP (1-(3-trifluoromethylphenyl)piperazine), are often sold as MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) or promoted as an alternative to MDMA.

operating in the Northern California HIDTA region control local cultivation of large quantities of cannabis and also control methamphetamine and marijuana production operations in the Central Valley of California. Mexican DTOs in the region are based largely on familial ties and typically consist of members who reside in California, Mexico, or various cities throughout the United States.

### 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.

Asian DTOs and criminal groups are the principal suppliers of Canadian high-potency marijuana and MDMA. They are also expanding their indoor cannabis cultivation operations in the Northern California HIDTA region. The drug trafficking threat they pose to the area is increasing but is not as extensive as that posed by Mexican DTOs. Asian DTOs primarily transport high-potency marijuana, commonly known as BC Bud, and MDMA (including MDMA combined with methamphetamine) from Canada for distribution in the Northern California HIDTA

region. They are also the primary MDMA distributors in many areas throughout the region. Asian drug traffickers are increasingly cultivating cannabis at indoor grow sites that are typically located at residences in new communities within the HIDTA region. Such residences are often procured through fraudulent mortgage financing. Asian DTOs typically restrict involvement in their drug trafficking operations to individuals of similar race/ethnicity and familial affiliation. Many Asian DTOs and criminal groups distribute illicit drugs at the midlevel and retail level in the area; Vietnamese groups are predominant.

Hispanic, African American, and Asian street gangs; Hispanic and African American prison gangs; and outlaw motorcycle gangs (OMGs) are of particular concern to law enforcement officials in the Northern California HIDTA region. These gangs are extremely violent in establishing or maintaining control of their drug trafficking activities. Hispanic street gangs, primarily affiliates of the Sureños and Norteños gangs, are involved in midlevel and retail-level distribution of methamphetamine, marijuana, cocaine, and heroin. According to law enforcement officials throughout the North Bay Area, there has been a dramatic increase in the number of Sureños gang members relocating to their jurisdictions in an attempt to overtake traditionally held Norteños territories. African American street gang members, primarily affiliates of Bloods and Crips, distribute crack cocaine and marijuana at the retail level in the HIDTA region. Asian street gangs such as Wah Ching and Asian Boyz are involved primarily in retail-level MDMA and marijuana distribution. Prison gangs such as Border Brothers and Kumi Nation are involved in the midlevel and retail-level distribution of methamphetamine, crack cocaine, and marijuana. Members of OMGs, most notably Hells Angels Motorcycle Club (HAMC), are active in the midlevel and retail-level distribution of powder cocaine, methamphetamine, and marijuana.

### Twenty-Nine Individuals Indicted in Racketeering Probe Targeting MS 13 Street Gang

In October 2008, 22 members of La Mara Salvatrucha (MS 13) from the San Francisco Bay area were indicted on federal racketeering and other charges arising from their participation in the gang. Seven additional individuals were also charged with racketeering offenses ranging from illicit drug trafficking to firearms trafficking and attempted exportation of stolen vehicles.

The investigation leading to these arrests was part of the U.S. Immigration and Customs Enforcement (ICE) nationwide initiative known as Operation Community Shield, created to combat the escalating problem of transnational and other violent street gangs across the country. Operation Community Shield began in February 2005 in partnership with other federal, state, and local law enforcement and probation officers as well as prosecutors. This initiative focuses on developing comprehensive and integrated approaches to criminal investigations and other law enforcement operations against these violent street gang members. Since 2005, participants of this initiative in the Northern California HIDTA region have arrested 561 gang members and associates from 18th Street Gang (the Salvadoran rival of MS 13), Barrio Naked City, Latin Kings, and Sureños.

Source: U.S. Immigration and Customs Enforcement.

## Production

Methamphetamine laboratory seizures in the Northern California HIDTA region have declined significantly since 2004, largely as a result of successful law enforcement operations and regulatory efforts to control precursor chemicals in the United States and Mexico. (See [Table 1 on page 6.](#)) However, the number of

methamphetamine superlabs seized in the region increased from 2006 (1) through 2008 (4). HIDTA officials have noted that some Mexican DTOs are circumventing California state precursor chemical restrictions by employing large numbers of individuals to purchase legal quantities of cold medications containing pseudoephedrine from local retailers across the HIDTA region.

**Table 1. Methamphetamine Laboratory Seizures in the Northern California HIDTA Region, 2004–2008**

Methamphetamine Yield per Production Cycle	2004	2005	2006	2007	2008
Less than 2 pounds	82	36	27	22	21
2 to 9 pounds	2	3	10	1	2
More than 10 pounds	7	6	1	2	4
<b>Total</b>	<b>91</b>	<b>45</b>	<b>38</b>	<b>25</b>	<b>27</b>

Source: Northern California High Intensity Drug Trafficking Area.

The Northern California HIDTA region is one of the most significant cannabis cultivation areas in the nation, and in some areas cultivation is increasing. According to Drug Enforcement Administration (DEA) Domestic Cannabis Eradication/Suppression Program (DCE/SP) data, in 2008 more than 5.3 million cannabis plants were eradicated from illicit outdoor and indoor grow operations in California (see Table 2 on page 7), of which 20 percent (1,053,946 plants) were eradicated in the Northern California HIDTA region. DCE/SP data also show that the total number of cannabis plants eradicated in the HIDTA region has increased in each of the last 5 years. (See Tables 2 and 3 on page 7.) HIDTA officials also report that some cannabis cultivators exploit California's state medical marijuana laws (see text box on page 10) to conduct illegal grow operations.

Mexican DTOs operate a majority of the large outdoor grow sites in the region; they generally establish such grow sites in counties that encompass extensive remote locations, public lands, and rural areas such as Lake, Santa Clara, and Sonoma Counties. (See Figure 2 on page 8.) These counties rank among the top 10 counties in the state for cannabis cultivation. Mexican DTOs typically employ illegal aliens to tend crop sites, provide protection from intruders (including law enforcement officers), and harvest the cannabis. According to law enforcement officials, many of the illegal aliens working for Mexican DTOs are doing so as payment for their entry into the United States.

Public lands in remote areas of the region are increasingly used for outdoor cultivation, and law enforcement officials have noted that cannabis cultivators are protecting their grow sites through an increased presence of weapons, including high-caliber assault rifles. Additionally, the environmental damage caused by outdoor cannabis cultivation, particularly on public lands, is extensive. According to the National Forest System and California's Campaign Against Marijuana Planting (CAMP), law enforcement officers are encountering increasing numbers of dumpsites of highly toxic insecticides, chemical repellents, and other poisons. These toxic chemicals contaminate ground water, pollute watersheds, kill fish and other wildlife, and eventually enter residential water supplies. Redirecting natural water sources leads to erosion and impacts native vegetation.

Caucasian criminal groups and independent dealers are the predominant indoor cannabis cultivators in the HIDTA region and are also the primary producers of high-potency marijuana. Asian DTOs and criminal groups are becoming more involved with large-scale indoor cannabis cultivation and are beginning to produce significant quantities of high-potency marijuana in the region. Many of these traffickers commenced cannabis cultivation operations in the region over the past

few years by establishing small indoor grow sites with limited marijuana production capabilities.

Indoor cannabis cultivators typically establish grow sites in multiple residences, often using hydroponic technology, sophisticated lighting, and irrigation systems. Indoor growers prefer the controlled environment because they can avoid intensified outdoor eradication efforts while achieving higher profits because of the year-round cultivation season; a new crop of higher-potency marijuana can be turned out every 90 days. Cannabis cultivators who operate

large-scale indoor grows often modify electrical circuitry in the houses or bypass meters, creating hazardous conditions that can result in electrical shock or fire. In addition, they often use exhaust systems that are insufficient to vent the carbon dioxide and carbon monoxide generated from cultivation activities. Moreover, as a result of the prolonged high humidity at indoor grow sites, the buildings that contain them can be rendered uninhabitable as a result of the growth of toxic molds. Additionally, grow sites are often booby-trapped to ward off thieves and law enforcement officers.

**Table 2. Top-Ranking States for Cannabis Plants Eradicated, 2004–2008**

2004		2005		2006		2007		2008	
California	1,214,420	California	2,011,277	California	2,995,285	California	4,951,976	California	5,322,053
Kentucky	476,803	Kentucky	510,502	Kentucky	558,756	Kentucky	492,615	Washington	580,415
Tennessee	416,012	Tennessee	440,362	Tennessee	483,271	Washington	295,573	Tennessee	539,370
Hawaii	379,644	Hawaii	255,113	Hawaii	201,100	Oregon	277,766	Kentucky	353,170
Washington	134,474	Washington	136,165	Washington	144,181	Tennessee	178,322	West Virginia	146,553
Oregon	62,621	Arizona	113,523	Oregon	113,608	Hawaii	139,089	North Carolina	105,200

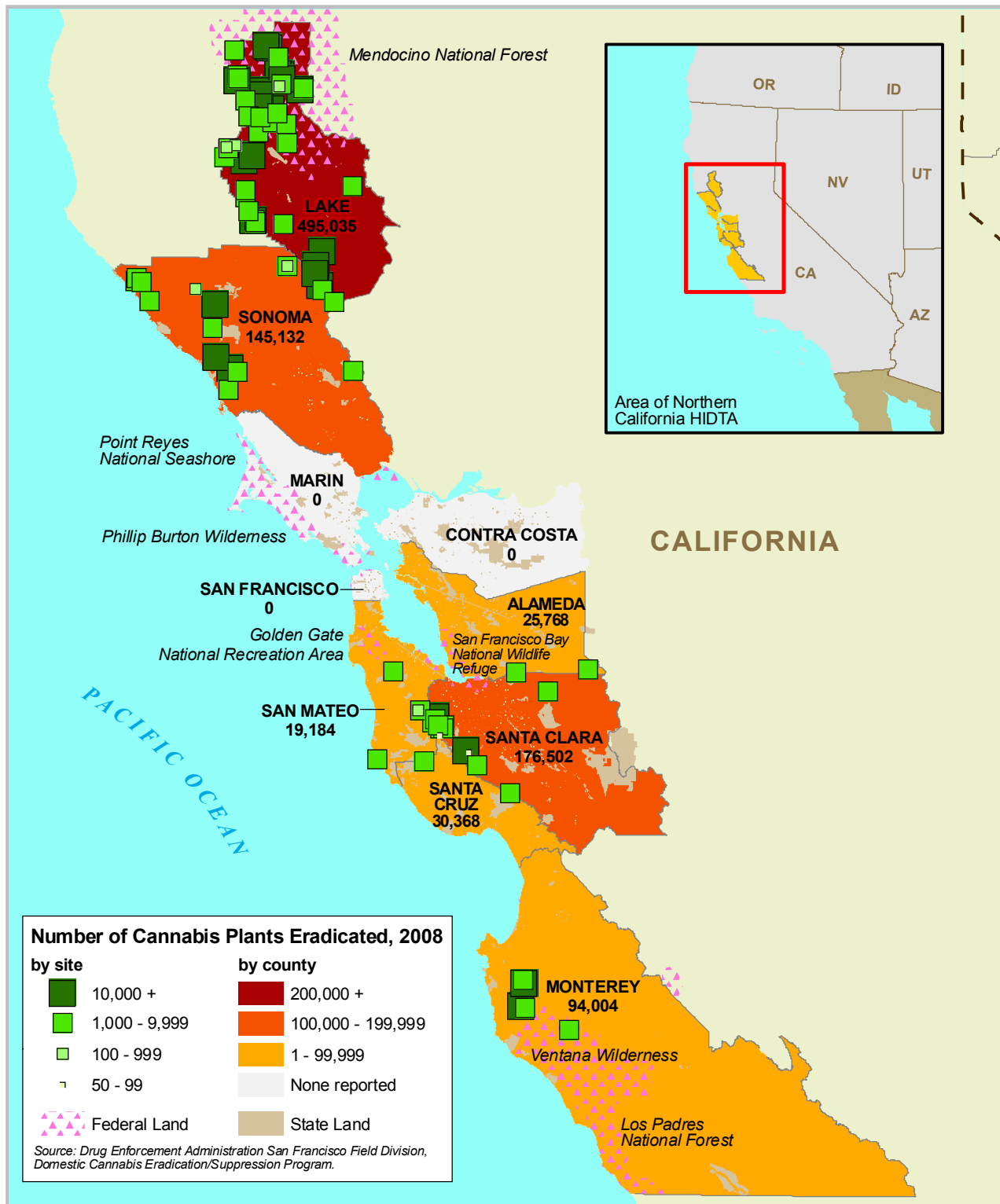
Source: Domestic Cannabis Eradication/Suppression Program.

**Table 3. Cannabis Plants Eradicated in the Northern California HIDTA Region, 2004–2008**

County	Outdoor Plants					Indoor Plants				
	2004	2005	2006	2007	2008	2004	2005	2006	2007	2008
Alameda	0	0	0	1,655	25,768	0	0	29,428	2,175	2,415
Contra Costa	0	0	0	0	0	0	0	0	0	7,804
Lake	81,991	136,781	346,336	506,788	495,035	1,502	7,581	79	1,176	3,815
Marin	0	0	22,740	0	0	0	0	0	0	0
Monterey	11,077	23,498	49,893	91,817	94,004	521	157	1,451	812	216
San Francisco	0	0	0	0	0	0	0	12,745	0	0
San Mateo	3,196	167	5,850	11,120	19,184	941	479	9,278	9,681	16,706
Santa Clara	6,026	82,106	125,690	178,878	176,502	0	0	383	834	7,606
Santa Cruz	1,627	11,449	42,836	12,219	30,368	525	3,521	1,038	5,815	8,844
Sonoma	19,884	107,631	124,395	122,350	145,132	2,195	11,049	9,740	7,770	20,547
<b>Total</b>	<b>123,801</b>	<b>361,632</b>	<b>717,740</b>	<b>924,827</b>	<b>985,993</b>	<b>5,684</b>	<b>22,787</b>	<b>64,142</b>	<b>28,263</b>	<b>67,953</b>

Source: Domestic Cannabis Eradication/Suppression Program.

Figure 2. Cannabis Plants Eradicated, by Site and by HIDTA County, 2008



## Transportation

The extensive transportation infrastructure in northern California (which has connections to other regions of the country), particularly the interstate highway system, is routinely exploited by drug traffickers to transport drugs into and throughout the HIDTA region. (See [Figure 1 on page 1.](#)) Several major highways provide traffickers with direct access to several routes to drug sources located in other areas of California as well as in Mexico and Canada. Additionally, this highway system enables traffickers to modify transportation routes, adapt to changes in source areas, and counteract law enforcement interdiction operations with limited interruption to supply.

Traffickers transport illicit drug shipments on Interstates 5 and 80 and other major highways that allow high-speed access to the north, south, and east. Mexican DTOs transport wholesale quantities of illicit drugs into the Northern California HIDTA region using private and commercial vehicles, often equipped with hidden compartments. Local law enforcement has identified several businesses that specialize in the modification of private and commercial delivery vehicles that transport illicit drugs throughout the HIDTA region. For example, in April 2008, law enforcement officers arrested four members of a Mexican DTO who used their local trucking business in Cotati (Sonoma County), California, as a cover for transporting and distributing drugs throughout California. Officers also seized approximately 29 pounds of ice methamphetamine, 1 ounce of cocaine, 1 pound of marijuana, three assault rifles, two shotguns, and three handguns. The estimated street value of the methamphetamine was approximately \$1.3 million.

Traffickers also transport a variety of illicit drugs and drug proceeds into and through the HIDTA region through package delivery services and the mail system, particularly from foreign sources. One of only 13 Customs International

Mail Branches in the country (and one of three in the western United States) is located in Oakland. The high volume of packages transiting the area, particularly from Asia, makes detection and interdiction efforts at these facilities extremely challenging for U.S. Customs officials.

The use of the Internet to purchase illicit drugs, particularly from foreign suppliers in Europe or Mexico, has also increased transportation by package delivery services and the mail system. The Internet has enabled independent dealers, who historically traveled to Mexico to obtain CPDs, steroids, or ketamine, to purchase these drugs online. The large number of online suppliers makes tracking illicit purchases through the Internet difficult. In addition, illicit drugs obtained online are commonly purchased through Internet pay accounts, which require only limited personal information, further hindering law enforcement efforts.

## Distribution

### Distribution From the HIDTA Region

The Northern California HIDTA region is a regional- and national-level distribution center for methamphetamine and marijuana produced in the region as well as marijuana, ice methamphetamine, and cocaine smuggled from Mexico into the United States. Mexican DTOs are the primary wholesale distributors of drugs in the region, typically utilizing stash sites located at private residences, warehouses, and storage facilities in cities and towns throughout the region. Mexican DTOs and criminal groups use the area as a base of operations for illicit drug distribution to markets in the Pacific Northwest, the Midwest, Hawaii, Canada, and areas along the east coast. Traffickers primarily use private and commercial vehicles to transport drugs from the region, generally along Interstates 5 and 80.

Street gangs, prison gangs, and OMGs operating in the HIDTA region distribute illicit drugs

to their counterparts in cities located throughout the country to capitalize on the higher profits that can be made in those cities. Various traffickers in the area, including Caucasian criminal groups and independent dealers and Asian DTOs, distribute marijuana produced in northern California and, to a lesser extent, Canadian high-potency marijuana to other areas of the country in order to meet the demand for the drug. Other dangerous drugs (ODDs) such as MDMA and GHB, CPDs, and other illicit drugs such as opium and khat that are abused within certain ethnic communities are distributed from the area largely because of the significant quantities of these drugs that are transported from foreign sources into the U.S. Customs International Mail Branch located in Oakland.

### Distribution Within the HIDTA Region

Mexican DTOs and criminal groups dominate wholesale distribution in the Northern California HIDTA region, supplying wholesale quantities primarily to other criminal groups as well as to street gangs, prison gangs, and OMGs. These groups then supply midlevel quantities to retail distributors—primarily smaller street gangs and independent dealers. In midsize and large metropolitan areas, street and prison gangs dominate retail distribution, while in small towns and rural areas, independent dealers are the primary retail distributors. Drug sales in metropolitan areas generally are conducted in open-air markets (located on streets and in parking lots) and in clubs and bars; distributors sell to both new, unfamiliar customers and well-known, repeat customers. Drug sales in rural areas usually take place at prearranged locations, typically between a dealer and known or referred customers.

Traffickers commonly use cell phones to facilitate drug sales in the HIDTA region, particularly to negotiate transactions and prearrange meetings with customers. They prefer to conduct business conversations on phones with point-to-point capabilities, believing that these communications are difficult for law enforcement to

intercept. Traffickers generally use cell phones for a limited time (often no more than 30 days) before switching to a new phone and number to further reduce the possibility of having calls monitored. Traffickers also use text messaging to communicate, arrange meetings, and coordinate deliveries.

### California Proposition 215

California Proposition 215 (California Compassionate Use Act of 1996, Health and Safety Code §11362.5) allows patients and primary caregivers to possess or cultivate cannabis for medical treatment, based on a physician's recommendation, exempting them from criminal laws that otherwise prohibit possession or cultivation of marijuana under state law. Legal protections are also provided to physicians who recommend the use of marijuana for medical treatment. Under Proposition 215, no prescription is needed to obtain marijuana for medicinal use. Patients may possess 8 ounces and 6 mature or 12 immature cannabis plants; possession of additional amounts of marijuana is permitted under this plan based on medical necessity.

In November 2008 the California Supreme Court further defined the role of a primary caregiver in the *People v. Roger William Mentch*, S148204, Ct.App. 6 H02878, Santa Cruz County, Superior Court No. 07429. The Supreme Court opined that the defendant, whose caregiving consisted principally of supplying marijuana, did not qualify as a primary caregiver under Proposition 215. To qualify as a primary caregiver, an individual must render assistance to provide daily life necessities in order to provide marijuana to a patient.

Source: California Secretary of State.

California Proposition 215 has changed marijuana distribution patterns in the Northern California HIDTA region. According to law enforcement officials, some traffickers use cannabis clubs established under Proposition 215 to acquire

marijuana for distribution. Law enforcement officials further report that a significant portion of the high-potency marijuana available in the area is distributed through these clubs and that the clubs generate millions of dollars in proceeds annually. Many marijuana distributors, some of whom hold state medical marijuana cards, reportedly use cannabis clubs as their primary source of supply, while others, who produce marijuana, purchase the drug from cannabis clubs when they deplete their own supplies. Marijuana abusers also purchase the drug at cannabis clubs for personal use. As a result of the proliferation of cannabis clubs and the resulting public complaints, the San Francisco Bay Area has instituted a moratorium on the opening of additional cannabis clubs.

Drug distribution over the Internet has expanded in the Northern California HIDTA region. Traffickers and abusers often post messages on web sites containing advertisements to sell or purchase illicit drugs. Distributors sell marijuana, cannabis derivatives (hashish and hash oil), methamphetamine, MDMA, and diverted CPDs through the Internet because of the anonymity it provides and the minimal risk of law enforcement detection. Traffickers initiate contact with customers over the Internet and either ship illicit drugs by package delivery services or arrange to have the drugs delivered to a designated location, with payment made through an Internet pay account or in cash upon delivery.

## Drug-Related Crime

Methamphetamine trafficking and abuse significantly influence the types of crime in the Northern California HIDTA region. Of the 45 state and local law enforcement officials responding to the NDTs 2009, the majority report that ice methamphetamine is the greatest drug threat in their respective jurisdictions as well as the drug that most contributes to violent crime and property crime. (See Table 4.) Law enforcement

officials also report that most incidents of assault, burglary, domestic violence, and homicide that take place in the region are related to methamphetamine distribution and abuse. Additionally, law enforcement reporting indicates that methamphetamine abusers commit a considerable amount of property crime in the area, including identity theft, to acquire money with which to purchase methamphetamine and other illicit drugs.

**Table 4. Northern California Law Enforcement Responses to the National Drug Threat Survey 2009**

Drug	Greatest Drug Threat	Most Contributes to Violent Crime	Most Contributes to Property Crime
Ice methamphetamine	28	24	29
Powder methamphetamine	9	9	8
Marijuana	3	6	1
Crack cocaine	3	6	5
Powder cocaine	1	0	0
Heroin	0	0	2
CPDs	1	0	0

Source: National Drug Threat Survey 2009.

Note: Total number of respondents: 45.

Marijuana-related violence is escalating in the HIDTA region, particularly violence perpetrated by cannabis cultivators. According to law enforcement officials, an increasing number of armed individuals are protecting cannabis crops because of their high value, competition with other outdoor growers, and previous successful eradication efforts by law enforcement. DCE/SP data show that the number of weapons seized at both outdoor and indoor grow sites in California increased 49 percent from 2004 (749) to 2008 (1,114). Additionally, many crop tenders are illegal aliens who must tend a grow site through a successful harvest to pay the Mexican traffickers who sponsored their entry into the country;



such individuals have a strong incentive to protect marijuana grow sites from intrusion by any means, including booby traps. As such, cannabis cultivation operations are a threat to the safety of law enforcement officers as well as unwitting visitors, hunters, and hikers.

Home invasion robberies of illegal indoor cannabis grow sites are also prevalent within the HIDTA region. According to law enforcement officials, burglaries of grow sites, including repeat burglaries, occurred periodically in the HIDTA region during 2008. Law enforcement officials also report an increase in the number of weapons seized at indoor grow sites, suggesting that cannabis cultivators are more frequently arming themselves to protect their operations.

## Abuse

Illicit drug abuse levels in the Northern California HIDTA region are high, particularly for ice methamphetamine. Data from the Substance Abuse and Mental Health Services Administration (SAMHSA) Treatment Episode Data Set (TEDS) reveal that methamphetamine/amphetamines were identified more often than

any other drug, including alcohol, as the primary substance of abuse for treatment admissions to publicly funded facilities in California from 2003 through 2007 (the latest year for which data are available). (See Table 5.) The number of treatment admissions for marijuana abuse is also high and increasing but is not considered to be as significant as the number for methamphetamine abuse, the effects of which are much more difficult to treat. Cocaine, heroin, and ODDs are also commonly distributed and abused within the HIDTA region.

Abuse of diverted CPDs is an increasing problem within the region, especially for teenagers and young adults. According to treatment providers, the most sought-after and abused CPDs are benzodiazepines, hydrocodones, oxycodones, synthetic opioids, and Schedule IV diet drugs. Distributors and abusers commonly divert CPDs through doctor-shopping, drug prescription forgery, and Internet purchase. The fraudulent and illegal sale of CPDs over the Internet is a particular concern to law enforcement officials and treatment providers in the region.

**Table 5. Drug-Related Treatment Admissions to Publicly Funded Facilities in California, by Drug Type 2003–2007**

Drug Type	2003	2004	2005	2006	2007
Methamphetamine/amphetamines	62,152	60,385	67,353	70,670	67,312
Marijuana/hashish	27,505	24,867	26,836	28,984	31,362
Cocaine	23,778	21,330	19,104	20,121	19,393
Heroin	38,682	34,028	29,707	29,825	28,493
Other opioids	3,497	3,434	3,207	4,931	6,031
PCP	1,203	899	725	685	694
Hallucinogens	184	152	167	110	111
Other stimulants	134	107	91	115	237
Tranquilizers	298	260	250	256	221
Sedatives	377	386	324	274	273

Source: Treatment Episode Data Set.

## Illicit Finance

Traffickers use a variety of methods to launder illegal drug proceeds in the HIDTA region. Mexican DTOs transport illicit drug proceeds primarily in bulk from the region to locations at or near the U.S.–Mexico border. These proceeds are generally commingled with illicit drug proceeds generated in other areas and smuggled into Mexico for eventual repatriation. Asian traffickers also use bulk transport to launder drug proceeds, but to a lesser extent. They smuggle bulk currency to Canada in private and commercial vehicles or to Asian countries using aircraft, maritime conveyances, and package delivery services.

Mexican and Asian traffickers also launder drug proceeds through money transmittal businesses located in their own ethnic communities. Moreover, they use businesses such as import-export companies for wire remittances. Traffickers, particularly Asian criminal groups, also launder money through informal value transfer systems (IVTSs) such as *hawala*, *hundi*, and *fei ch'ien*. Many of these IVTSs are culturally based and, because of their clandestine nature, are difficult to track. Illicit money transfers made through these underground systems are easily concealed in the high volume of legal transfers made within the systems.

## Outlook

The threat posed by the trafficking and abuse of ice methamphetamine will not diminish in the near term and will remain the most significant drug threat to the Northern California HIDTA region. Although some younger methamphetamine users have switched to cocaine, the demand for ice methamphetamine remains high. Mexican DTOs and criminal groups have established their presence in the area and will further capitalize on

the primary drug markets within the HIDTA and throughout the nation.

The Northern California HIDTA may experience an increase in local methamphetamine production in the near term. Restrictions on precursor chemical imports in Mexico and continued violence among the drug cartels in Mexico have caused Mexican DTOs to move some of their production operations back to the United States. This situation will most likely result in increased large-scale pseudoephedrine smurfing operations by Mexican DTOs and criminal groups to circumvent California precursor chemical restrictions.

The Northern California HIDTA will remain one of the most significant cannabis cultivation and marijuana production areas in the nation. The demand for high-potency marijuana in the region is increasing, and there are no indications that this will change over the next year. Public lands in remote areas of the region will increasingly be used for outdoor cultivation, and it is very likely that cannabis cultivators will increasingly use weapons to protect their grow sites. To meet rising demand, independent suppliers and Asian DTOs will establish larger, more sophisticated indoor cannabis cultivation operations in the region to capitalize on greater profit margins associated with higher-potency marijuana. Illegal cannabis cultivators will increasingly exploit state medical marijuana laws and expand their illicit cultivation operations.

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## Sources

### Local, State, and Regional

Alameda County Narcotics Task Force  
 Alameda County Sheriff's Office  
 Alameda Police Department  
 Berkeley Police Department  
 Contra Costa County Narcotic Enforcement Team  
 Contra Costa County Sheriff's Office  
 Hayward Police Department  
 Marin County Major Crimes Task Force  
 Monterey County Adult Probation Department  
 Monterey County Sheriff's Office  
 Oakland Police Department  
 San Francisco County Sheriff's Office  
 San Francisco Mayor's Office  
 San Francisco Police Department  
 San Jose Police Department  
 San Mateo County Narcotics Task Force  
 San Mateo Police Department  
 San Pablo Police Department  
 San Rafael Police Department  
 Santa Clara County Specialized Enforcement Team  
 Santa Cruz County Narcotic Enforcement Team  
 Santa Cruz County Sheriff's Office  
 Santa Cruz Police Department  
 Sausalito Police Department  
 Sonoma County Narcotics Task Force  
 South Bay Metropolitan Task Force  
 Southern Alameda County Gang Violence Suppression Task Force  
 Southern Alameda County Narcotics Enforcement Team  
 State of California  
   Department of Justice  
     Bureau of Narcotics Enforcement  
       Campaign Against Marijuana Planting  
   Department of Public Health  
   Department of Substances Control  
   Secretary of State  
 Watsonville Police Department

### Federal

Executive Office of the President  
   Office of National Drug Control Policy  
     High Intensity Drug Trafficking Area  
       Northern California  
 U.S. Department of Agriculture  
   Forest Service  
     National Forest System  
 U.S. Department of Commerce  
   U.S. Census Bureau  
 U.S. Department of Health and Human Services  
   Substance Abuse and Mental Health Services Administration  
     Office of Applied Studies  
       Drug Abuse Warning Network  
       Treatment Episode Data Set  
 U.S. Department of Homeland Security  
   U.S. Customs and Border Protection  
   U.S. Immigration and Customs Enforcement  
 U.S. Department of Justice  
   Criminal Division  
     Organized Crime Drug Enforcement Task Force  
   Drug Enforcement Administration  
     Diversion Program  
     Domestic Cannabis Eradication/Suppression Program  
     El Paso Intelligence Center  
       National Seizure System  
     San Francisco Division  
   Federal Bureau of Investigation  
   U.S. Attorneys Office  
     Northern District of California  
 U.S. Department of the Treasury  
   Office of Terrorism and Financial Intelligence  
     Financial Crimes Enforcement Network  
       High Intensity Financial Crime Area  
       Northern California District  
 U.S. Postal Service

### Other

New Leaf Treatment Center, Lafayette, California

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**Questions and comments may be directed to  
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**National Drug Intelligence Center**

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