

# From the Source to the Street

Michigan Law Enforcement & Prosecution Strategies:  
Combating Upper Tier Drug Trafficking



Detroit Wayne Mental Health Authority



*Executive Director Abraham L. Azzam*  
*Deputy Director Craig Summers*

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# **What's a HIDTA?**

## **High Intensity Drug Trafficking Area**

**A COALITION OF FEDERAL, STATE, LOCAL, AND TRIBAL LE AGENCIES:**

- From a specific geographic area
- Joined together to receive federal grant funds
- To facilitate specific drug control issues

# The HIDTA Mission

**Disrupt/Dismantle, Improve Efficiency/Effectiveness**

## TO ASSIST LAW ENFORCEMENT *DISRUPT* AND *DISMANTLE* DTOS AND MLOS:

- Disrupt: The operation of the organization is impeded, as indicated by changes in leadership, methods, financing, transportation or distribution.
- Dismantle: The leadership, financial base and supply network are destroyed and incapable of operating and/or reconstituting itself.

## TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF LE INVESTIGATIONS:

- **REDUCE** the duplication of law enforcement effort
- **LEVERAGE** existing resources
- **INCREASE** prosecutions and seizures

# Executive Board Composition

## Federal, State, and Local Representation

### FEDERAL

U.S. Attorney

FBI

DEA

HSI/ICE

U.S. Marshal

IRS

TSA

ATF

### STATE AND LOCAL

Michigan State Police

Detroit Police Department

Prosecutor's Representative

Eastern Sheriff's Representative – 2

Western Sheriff's Representative

Eastern Chief's Representative

Western Chief's Representative

### EX-OFFICIO

MI National Guard

MI Attorney General

U.S. Secret Service

US Coast Guard

MI Dept. Comm. Health

US Postal Inspector

WC Prosecutor's Office

US Customs and Border Protection



# The Threat

## Location, Border, Violence, Illicit Organizations

### LOCATION:

- Chicago/Cleveland/New York/Montreal are **key cities** in the N. American drug trade

### BORDER:

- Large Canadian **border**. Highways and international airports facilitate drug transport

### VIOLENT CITIES:

- Detroit/Flint/Saginaw in AOR; **3 of the most violent cities in US**  
**2014 Homicides: Detroit-304, Flint-28, Saginaw-13**

### DTOS AND MLOs:

- Active investigations on over **200 DTOS and MLOs** within the region

# DTOs and MLOs

## Drugs Trafficked

### HIDTA TASK FORCES INVESTIGATED 267 DTOs IN 2014

- 112 DTOs (42%) were classified as **poly-drug organizations**
- 140 DTOs (52%) of the total under investigation trafficked **marijuana**
- 120 DTOs (45%) trafficked **cocaine**
- 94 DTOs (35%) trafficked **heroin**
- 37 DTOs (14%) trafficked **crack cocaine**
- 24 DTOs (9%) trafficked **prescription drugs**
- 16 DTOs (6%) trafficked **methamphetamine**

*DTOs/MLOs may be included in totals more than once due to their status as poly-drug traffickers*

# DTOs and MLOs

## Fulfilling the Mission in 2014 and beyond

IN 2014, MI HIDTA TASK FORCES DISRUPTED OR  
DISMANTLED 96 OF THE 104 DTOs/MLOs  
TARGETED – 92%

18 of which were *International*

Conducts operations in more than one country

34 of which were *Multi-State*

Conducts operations in multiple US states

44 of which were *Local*

Operations are generally limited to a metropolitan area

# Heroin

## Michigan's Greatest Drug Threat?

Heroin overdoses and deaths continue to be a serious problem in the Michigan HIDTA region causing loss of life and terrible pain and suffering for many families and friends. 35% of DTOs investigated by MI HIDTA task forces traffic heroin.

In 2014, 14,686 residents **(25.2% of all public drug treatment admissions)** were admitted for treatment for heroin abuse, up from 13,376 in 2013.

In 2014, heroin accounted for the largest percentage of drug treatment admissions in Macomb, Monroe, Oakland, Washtenaw and Wayne counties, as well as the City of Detroit.

MDCH Records and Health Statistics Section, reports **319 heroin-related deaths in 2013, a 58% increase** from 2012. In 2013, 1 in 5 drug poisoning deaths in Michigan were related to heroin.

HIDTA initiatives seized more than 45.4 kilos of heroin in 2014, with a wholesale value of over \$3.7 million.

Price per kilogram of heroin is stable at about \$83,000, with street gram prices of \$100 - \$200.

# Heroin

## (Continued)

- *2015 Michigan HIDTA Threat Assessment* ranks heroin as the likely **#1 drug threat in the state.**
- The Michigan HIDTA and our law enforcement partners have been proactive in addressing this serious problem.
- Since May 20, 2015 the Michigan HIDTA in conjunction with our partners from the Michigan State Police, the DSEMIIC and MIOC the DEA and the Michigan National Guard have put in place advanced data collection and information sharing methods to identify heroin traffickers and heroin traffickers involved in selling heroin that causes an overdose death.
- **PROBLEM:** In 2014 Mexican Cartels were responsible for 42 metric tons of high grade Heroin destined for US. In 2013, 26 metric tons came from Mexico. This is an increase of 62%. Cheaper, purer Heroin will try to defeat Law Enforcement efforts.

# Naloxone

## (Naloxone Hydrochloride)

- In early 2014 the Michigan HIDTA and its local law enforcement partners became strong advocates for state legislation to reduce the number of opiate-related overdose deaths in our community, **and played a major role in the passing of this legislation.**
- We strongly supported legislation to allow Michigan Law enforcement officers to possess and administer an “opioid antagonist: such as Naloxone hydrochloride, to a person an officer has a good faith belief is suffering from an opiate-related overdose.
- In June of 2014 the local law enforcement partners of the Michigan HIDTA Executive Board sent a letter to every member of the Michigan Legislature strongly supporting the legislation.
- Many of our local law enforcement partners have equipped their officers with naloxone and have **been responsible for saving dozens of lives.**

# Illegal Prescription Drugs

## Diversion, a Significant Threat

Diversion, via fraud, “doctor shopping”, pharmacy burglaries/robberies, fake prescription call-ins to pharmacies and utilizing physicians who operate as DTOs, continue to be a threat.

9% of DTOs investigated by MI HIDTA task forces traffic illegally diverted prescription drugs.

In 2014, 7,823 residents (13.4% of all public drug treatment admissions) were admitted for treatment “other opiates”, which includes prescription drugs.

Michigan continues to be a source state for diverted prescription drugs, which are distributed to Indiana, Ohio, Kentucky, Pennsylvania and West Virginia. Street prices for diverted prescription drugs run from \$1 to \$45 per pill in Michigan, but **may sell for double or triple their value when distributed to other states**. The most commonly diverted depressants are Xanax and Valium, while Ativan is the most commonly diverted stimulant.

In 2014, MAPS (Michigan Automated Prescription System) reported over 12 million prescriptions were issued for Hydrocodone, Xanax, Oxycodone, Klonopin, Ativan, Ultram and Valium.

HIDTA initiatives seized nearly \$1 million at wholesale value of prescription drugs.

# Marijuana

## Still King, But Not Your Father's Marijuana

Continues to be the most readily available and abused drug in Michigan. 52% of DTOs investigated by MI HIDTA task forces traffic marijuana.

Since enactment of the Michigan Medical Marijuana Act in 2008, the illegal production of high quality, locally grown marijuana has increased sharply. Abuse of the above act by cardholders, care givers and physicians continues as a major threat. In 2014, there were nearly 120,000 registered cardholders and care givers, and nearly 1,500 physicians who provided qualifying written certifications.

High-grade indoor-grown marijuana sells for as much as \$7,500/pound, while Mexican grown marijuana averages around \$2,000/pound.

HIDTA initiatives seized over 17,000 kilos of marijuana in 2014, with a wholesale value of over \$73,000,000. **The volume seized represents over 80% of all drugs seized for the year.**

**THC levels have increased by 144%, from .2% in 1999 to 11.4% in 2011. THC levels in Medibles, BHO, Oil, Wax, etc., are 80-90% and are selling for \$10,000/pound.**

**Proposals to legalize recreational marijuana in Michigan could appear on the November 2016 ballot. Proposals would provide for the private licensing of cannabis growers and retailers.**

# Cocaine & Crack

## Demand and Availability Are Down, Prices Are Up

Availability in the region is low to moderate, **demand is declining** due to LE enforcement efforts and increase in demand of heroin. Lower demand has increased prices.

45% of DTOs investigated by MI HIDTA task forces traffic cocaine, while 14% traffic crack.

Price for top end cocaine is about \$45,000/kilogram. The average price per kilo in 2013 was \$34,800, up from \$30,000 in 2012.

Substance abuse treatment admissions for cocaine have steadily declined in the last few years, a trend which is expected to continue.

HIDTA initiatives seized over 290 kilos of Cocaine in 2014, with a wholesale value over \$10 million (11% of the wholesale value of all drugs seized by HIDTA task forces in 2014). Over 6 kilos of crack was seized at a value of nearly \$200,000.

# Methamphetamine

## A Localized But Growing Threat

Availability is moderate but increasing throughout state although geographically not evenly disbursed. Production and consumption occur primarily in southwest Michigan.

Meth used to be produced predominantly by independent cooks, in small amounts, for personal consumption or local sale, via the one-pot method. Production capability of most labs is less than 2 ounces. **In 2014, meth labs were found in 60 Michigan counties. Overall, Michigan rated as the 6<sup>th</sup> highest state in the nation with 738 meth incidents in 2014.**

There is an increasing presence of Mexican meth coming into Michigan and selling for \$24,000/kilo. HIDTA initiatives seized about 11 kilos of meth in 2014, with a wholesale value of over \$250,000.

Drug treatment admissions for meth constitute only about 1.1% of total drug treatment admissions. Many substance abusers are poly-drug users however and do not indicate meth as their primary drug at time of admission.

Legislative efforts to regulate/restrict pre-cursor chemicals (ephedrine/pseudo-ephedrine) have met with mixed results.

# Synthetics

## Cannabinoids (K-2, Spice) and Cathinones (Bath Salts)

Readily available in some parts of Michigan with **no significant increase in use**. Incidents of sale remain low.

Often sold at convenience stores, gas stations, etc., and perceived as a “legal high”.

In 2012, southeast Michigan jurisdictions issued emergency bans on some synthetics.

A small sale packet of synthetics costs about \$20-30.

# Illicit Finance

## Following the Money

Obtaining true figures regarding the amount of bulk currency seized is difficult, as many Michigan LE agencies DO NOT REPORT their totals. Total seizures therefore are likely grossly underreported.

- In 2014, Michigan ranked as the 21<sup>st</sup> highest state in terms of the amount of bulk currency seized, with a total of \$4.7 million.
- Most bulk cash seizures occur on I-94, and I-75 which ranks as one of the top ten smuggling highways in the US.

# HIDTA ISDC

## Participating Agencies

FBI, DEA, HSI/ICE, MICHIGAN NATIONAL GUARD, DETROIT POLICE, ATF, MICHIGAN STATE POLICE, IRS, DSEMIIC, HIDTA

