

# CY 2006 ANNUAL REPORT



**APPALACHIA HIGH INTENSITY DRUG TRAFFICKING AREA**  
400 South Main Street, 3rd Floor  
London, Kentucky 40741  
(606) 877-2100

**Executive Board Chair Russ Dedrick**  
**Executive Board Vice-Chair William Benson**  
**Director Frank Rapier**

*This document was specially prepared for the ONDCP High Intensity Drug Trafficking Area Program.*

# APPALACHIA HIDTA 2006 ANNUAL REPORT

## I. EXECUTIVE SUMMARY

Established in 1998, the Appalachia HIDTA consists of 68 counties spread across Southeastern Kentucky, Eastern Tennessee, and Southwestern West Virginia. These counties comprise the predominant marijuana production and trafficking areas of this tri-state area. Therefore, it is reasonable to believe that the measurable reduction in the production and trafficking of marijuana is a primary focus of the Appalachia HIDTA. Not only is it reasonable, but at the national level, it is necessary for the Appalachia HIDTA to attack the production and trafficking of marijuana:

- Marijuana (is) by far the most widely used of the various illicit drugs.<sup>1</sup>
- There is a clear tendency for those using cannabis to have higher rates of usage of other illicit drugs. This tendency is most evident for regular users of cannabis, and is even more marked in adolescents than in young adults.<sup>2</sup>
- It (marijuana) is linked to serious, dangerous physical and mental side effects including increased risk of heart disease, lung cancer, bronchitis, emphysema, depression, schizophrenia, and thoughts of suicide.<sup>3</sup>
- Comprised of nearly 400 chemicals, marijuana can affect almost every organ in the human body, from the central nervous system to the cardiovascular, endocrine, respiratory/pulmonary, and immune systems.<sup>4</sup>
- Long-term and shorter-term marijuana users performed more poorly on tests of memory, attention and other cognitive abilities than a comparison group of occasional users. Long-term users – users who smoked four or more joints per week for at least 10 years – showed the greatest deficits.<sup>5</sup>

The Appalachia HIDTA is extremely successful in reducing the availability of marijuana. In CY2006, the Appalachia HIDTA eradication and investigative initiatives destroyed over \$1.115 billion in marijuana plants, seized over \$37 million in processed marijuana and affected 1,149 marijuana eradication arrests.

- The non-medical use of narcotic drugs is the second most prevalent drug used among U.S. high school seniors, according to data from the national 2006 Monitoring the Future study.<sup>6</sup>
- Opiate-based prescription drugs have overtaken other drugs as the most abused forms (of prescription drugs). They top the list of drug overdoses, and their abuse has ravaged many Kentucky communities.<sup>7</sup>
- There are between 8,000 and 9,000 people in West Virginia addicted to opiate-based narcotics, such as heroin, methadone or OxyContin. That's only part of the larger picture

of prescription drug abuse in the state with estimates that there are roughly 83,000 such abusers.<sup>8</sup>

Although marijuana is its primary focus, the Appalachia HIDTA responds to the threats posed by the illicit traffic of other drugs in the region. As in the case of marijuana, Appalachia HIDTA initiatives were very effective in combating other drug threats. In CY2006, Appalachia HIDTA task force initiatives removed almost 20,000 dosage units of Oxycodone and other Hydrocodone products, valued at over \$449,000, from Appalachia HIDTA communities.

The National Association of Counties Survey of Law Enforcement Agencies (LEAs) in 500 counties in 44 states revealed that methamphetamine was viewed as the number one illegal drug problem by LEAs in 48% of the counties. Additionally, crimes related to methamphetamine continue to grow, with 55% of law enforcement officials reporting an increase in robberies or burglaries in the last year.<sup>9</sup>

Although reduced in scope, methamphetamine continues to pose a threat in the Appalachia HIDTA. Methamphetamine manufacturing activity in the Appalachia HIDTA region consists primarily of small, unsophisticated and, at times, portable clandestine laboratories producing limited quantities of methamphetamine. The enactment of legislation in the Appalachia HIDTA states controlling the sale and access to pseudoephedrine played a significant role in reducing the number of clandestine methamphetamine laboratories in the region.

For 2006, Appalachia HIDTA initiatives projected they would target and dismantle 320 clandestine methamphetamine labs, primarily of the 2 ounce or less production capacity variety. The regulation of pseudoephedrine sales had a positive impact in the Appalachia HIDTA area, reducing the total number of labs reported to and targeted by Appalachia HIDTA initiatives. In 2006, Appalachia HIDTA initiatives dismantled 114 clandestine labs – 96 rated at two ounce or less production capacity and 18 rated at two to eight ounce production capacity. At a local selling price of \$1,300 per ounce, the Appalachia HIDTA prevented the production of over \$366,000 worth of raw methamphetamine.

HIDTAs exist to disrupt and dismantle drug trafficking organizations (DTOs). For 2006, Appalachia HIDTA initiatives projected they would disrupt and/or dismantle 137 of 250 identified DTOs. By the end of the year, Appalachia HIDTA initiatives had disrupted/dismantled 96 DTOs or 70% of their goal.

Ultimately, all drug trafficking is a local issue. The Appalachia HIDTA is committed to impacting local drug trafficking. For 2006, Appalachia HIDTA initiatives projected to disrupt/dismantle 88 local DTOs. By the end of the year, Appalachia HIDTA initiatives had disrupted/dismantled 35 local DTOs, or 40% of their goal.

Illicit drug trafficking generates inordinate amounts of profits and assets for drug trafficking organizations (DTOs). Without profits, DTOs cannot survive. During CY 2006, the Appalachia HIDTA effectively removed and prevented DTOs from acquiring an astonishing \$1.155 billion in illicit drug profits and assets. In terms of taxpayer money spent, the seizure of over \$1.155 billion in illicit drug profits and assets yielded a remarkable rate of return (ROI) of almost \$218 for every \$1.00 of taxpayer funds provided to the Appalachia HIDTA. Taxpayer funds are being well spent and are providing tangible results.

The Appalachia HIDTA was not only successful within its area of responsibility but 2006 marked another year of success at the National level. Appalachia HIDTA personnel and the Kentucky Eradication initiative were recognized by the National Marijuana Initiative, and ONDCP recognized the FBI Southeast Kentucky Drug and Public Corruption Task Force Initiative for Outstanding Investigative Effort. The Appalachia HIDTA emerged as a leader and model HIDTA at the national level, culminating a journey that began in 2003. Through dedication, focus, and a commitment to the HIDTA mission by its members and personnel, the Appalachia HIDTA emerged from the shadow of near decertification to become a highly effective, efficient, and collaborative law enforcement program that affects positive change in communities across Appalachia. The Appalachia HIDTA will not rest but will continue to push forward, committed to accomplishing its mission and demonstrating leadership within the HIDTA community. The dedication, strong work ethic, high level of trust and the inherent willingness to work together among those associated with the Appalachia HIDTA, demands nothing less.

## II. INTRODUCTION

HIDTA is a program within the Office of National Drug Control Policy (ONDCP). The mission of the HIDTA program is to reduce drug availability by creating intelligence-led drug task forces aimed at eliminating or reducing domestic drug trafficking and its harmful consequences. The HIDTA program enhances and helps to coordinate drug trafficking control efforts among federal, state and local law enforcement agencies.

The Director, Office of National Drug Control Policy (ONDCP), designates regions with critical drug trafficking problems that adversely impact the United States as High Intensity Drug Trafficking Areas (HIDTAs). By design, HIDTA program offices are located in these areas. Currently, there are 28 individual HIDTA regions spread throughout the United States and Puerto Rico. In April 1998, the ONDCP designated areas within Kentucky, Tennessee, and West Virginia as the Appalachia HIDTA.

For accountability and review purposes, the ONDCP requires each HIDTA to submit four separate stand-alone documents – Threat Assessment, Strategy, Initiative Budgets and Descriptions, and an Annual Report. This document, the *Appalachia HIDTA 2006 Annual Report*, serves to document and discuss the Appalachia HIDTA’s enforcement activities and successes in achieving the HIDTA Program’s Goals during the last calendar year.

### **National HIDTA Program Mission Statement**

The mission of the High Intensity Drug Trafficking Areas (HIDTA) Program is to disrupt the market for illegal drugs in the United States by assisting federal, state, and local law enforcement entities participating in the HIDTA program to dismantle and disrupt drug trafficking organizations, with particular emphasis on drug trafficking regions that have harmful effects on other parts of the United States.

The purpose of the HIDTA program is to help federal, state, and local law enforcement agencies work together to fight drug trafficking in HIDTA designated areas. HIDTA funding

supports this joint effort among law enforcement agencies. Specifically, a local HIDTA provides a coordination umbrella for federal, state, and local drug law enforcement efforts; fosters a strategy-driven, systemic approach to integrate and synchronize efforts; and focuses on outcomes and impact. The Appalachia HIDTA provides the necessary support to investigative task forces and initiatives operating in its designated area. In all, the Appalachia HIDTA has fostered cooperative and effective working relationships among six U.S. Attorney's Offices, eight federal agencies, 18 state agencies, and 70 local agencies to achieve the common goals of disrupting and dismantling drug trafficking organizations, and reducing the demand for drugs. These working relationships are embodied in the Appalachia HIDTA initiatives. An initiative is a set of planned activities and resources; a task force is a group of people working together to accomplish a set of measurable goals. Specifically, the Appalachia HIDTA consists of 16 law enforcement initiatives, two marijuana eradication initiatives, a training initiative, a management and coordination initiative, and an intelligence initiative.

Law enforcement initiatives in each of the three states of the Appalachia HIDTA conduct joint operations within their areas to identify and eliminate drug trafficking organizations (DTOs) and arrest individuals participating in marijuana cultivation/trafficking as well as trafficking in other illicit drugs and firearms. There is a determined effort to counter drug movement into and through the region, and to arrest those who conceal the proceeds from illegal drug sales. These priorities are supported by a strong commitment from federal and state prosecutors to provide timely and sound legal advice.

**Appalachia HIDTA  
Vision Statement**

“There is no limit to what a man can do or where he can go if he  
doesn't mind who gets the credit.”

-- Ronald Reagan

The drug threats in Appalachia require a multifaceted response that targets drug production, trafficking and distribution. The Appalachia HIDTA is uniquely suited to provide the multifaceted approach necessary. Central to its mission is the expansion of cooperative, multi-jurisdictional law enforcement efforts involving HIDTA funded and non-HIDTA funded resources. By balancing efforts to attack drug trafficking at every layer, and coordinating non-enforcement efforts in targeted communities, the Appalachia HIDTA will continue to facilitate the necessary cooperation among federal, state and local agencies through collaborative initiatives that target drug cultivation, distribution and demand.

The success of any HIDTA is measured in part by its ability to facilitate greater efficiency, effectiveness and cooperation among participating agencies at the federal, state and local level. Collocation of different law enforcement agencies to facilitate and enhance resource sharing is vital to this endeavor. The extent of information sharing and inter-agency cooperation fostered by the Appalachia HIDTA proves that separate law enforcement initiatives are not only working together but are doing so in an effective and efficient manner.

## **Appalachia HIDTA Mission Statement**

The mission of the Appalachia HIDTA is to measurably reduce, particularly as it relates to marijuana, the production and trafficking of illegal drugs in its immediate area, to reduce drug-related violent crime in the region, and to reduce the impact that drug production and trafficking have on other areas of the United States. Although marijuana is its primary focus, the Appalachia HIDTA responds to the threat posed by the illicit traffic of other drugs as required. Central to this mission is the expansion of cooperative, multi-jurisdictional law enforcement efforts involving HIDTA funded and non-HIDTA funded resources.

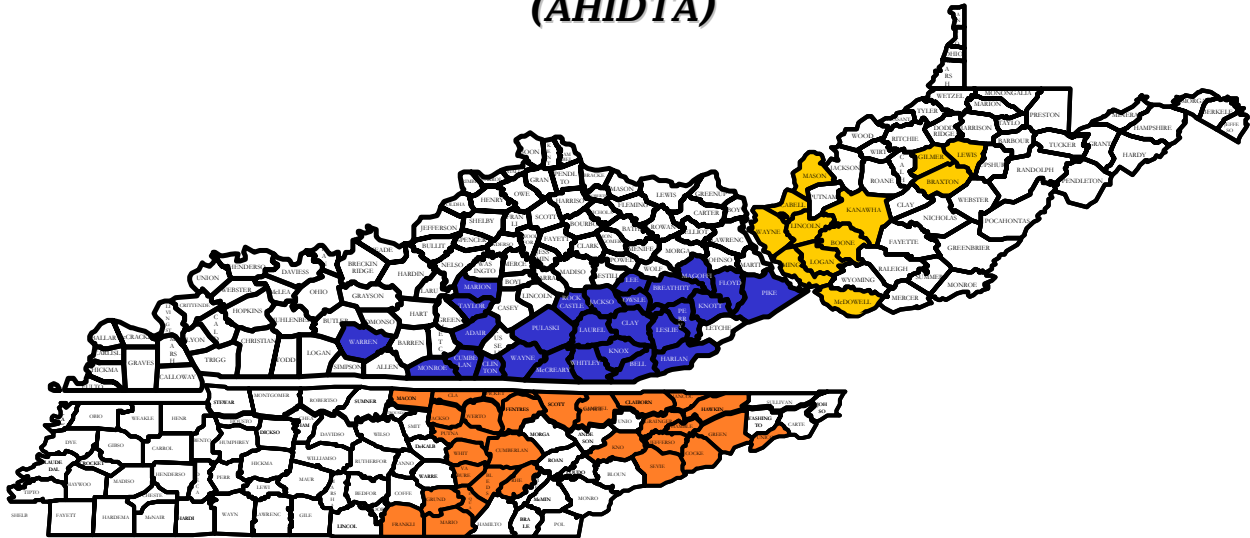
Reporting Period: This Annual Report covers the reporting period January 1, 2006 to December 31, 2006.

Budget Allocation: During this reporting period, ONDCP allocated a \$6,022,000 budget for Appalachia HIDTA operations. The Appalachia HIDTA strives to minimize expenditures that do not directly address progress towards primary objectives. Accordingly, the Appalachia HIDTA allocates 84% of its allocation directly to its initiatives and their operational support costs. The Appalachia HIDTA is pleased to report significant success and progress toward achieving its mission, and the future bodes well for its continued success. The expenditure of taxpayer's dollars is justified because it is yielding precisely the desired effects.

### Geographic Area of Responsibility:

- Kentucky – Adair, Bell, Breathitt, Clay, Clinton, Cumberland, Floyd, Harlan, Jackson, Knott, Knox, Laurel, Lee, Leslie, McCreary, Magoffin, Marion, Monroe, Owsley, Perry, Pike, Pulaski, Rockcastle, Taylor, Warren, Wayne, and Whitley counties.
- Tennessee – Bledsoe, Campbell, Claiborne, Clay, Cocke, Cumberland, Fentress, Franklin, Grainger, Greene, Grundy, Hamblen, Hancock, Hawkins, Jackson, Jefferson, Knox, Macon, Marion, Overton, Pickett, Putnam, Rhea, Scott, Sequatchie, Sevier, Unicoi, Van Buren, and White counties.
- West Virginia – Boone, Braxton, Cabell, Gilmer, Kanawha, Lewis, Lincoln, Logan, Mason, McDowell, Mingo, and Wayne counties.

# Appalachia High Intensity Drug Trafficking Area (AHIDTA)



The Appalachia HIDTA region is comprised of 68 counties within the states of Kentucky, Tennessee, and West Virginia, and is centrally located within convenient distance of a number of large metropolitan areas. These counties represent the predominant domestic marijuana production and trafficking areas in the three states. The area's climate, topography, and its isolated rural and low-lying mountainous regions, make it ideal for marijuana cultivation. Marijuana producers cultivate their crop on large and small parcels of public and/or private land common to the area. This tri-state area's rural geography plays a significant role in domestic and national drug trafficking. Many roads in the region are often in need of repair and have little traffic as well as few law enforcement patrols. Traffickers use these isolated and sparsely traveled roads to transport marijuana across county and state lines undetected. The steady escalation of marijuana use, production and trafficking in the Appalachia region has transformed previously informal partnerships among the three states into a formal, combined, annual effort to suppress marijuana-related activities and overcome the increasing instances of violence, cultural acceptance and corruption associated with the marijuana industry.

### III. NATIONAL HIDTA GOALS

The HIDTA program's goals, listed below, guide the initiatives and activities of the Appalachia HIDTA and all HIDTAs throughout the United States. In following sections, the Appalachia HIDTA will present concise summaries of its Threat Assessment for Budget Year 2006 and the resultant Strategy for Budget Year 2006. The Appalachia HIDTA's strategy is designed to meet its local drug threats according to its individual needs, in conjunction with the national objectives:

#### NATIONAL HIDTA GOALS

**Goal 1:** Disrupt the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations; and

**Goal 2:** Improve the efficiency and effectiveness of HIDTA initiatives.

The National HIDTA Goals represent definitive targets for Appalachia HIDTA initiatives. They also provide the foundation upon which performance planning and outcome measurements are based. In developing submissions, each Appalachia HIDTA initiative must base its program and fiscal justifications on the Threat Assessment; must articulate how the initiative's funding request will directly address the threat; must set realistic performance measures; and must eventually provide specific information on how the funding facilitated the Appalachia HIDTA in meeting its desired outcomes. Appalachia HIDTA initiatives are developed in accordance with clear national guidelines governing all HIDTA activities and expenditures.

The Appalachia HIDTA Executive Board oversees all aspects of the Appalachia HIDTA. It approves the Threat Assessment, establishes policies within the framework of national HIDTA program guidance and provides strategic direction in the establishment of the resultant Strategy and its outcomes. It reviews and approves for submission all initiative proposals and their budgets. Finally, it reviews the performance of the individual initiatives and the Appalachia HIDTA as a whole in implementing the HIDTA program concept and the Appalachia HIDTA Strategy. Each initiative has its own mission and plan to implement the Appalachia HIDTA Strategy. Each state has investigative initiatives; two states (KY and WV) have formalized eradication programs; and the Appalachia HIDTA intelligence initiative is headquartered in Kentucky.

#### **IV. SUMMARY OF THREAT ASSESSMENT FOR BUDGET YEAR 2006**

Recognizing how important it is to maximize operational effectiveness, and to ensure that our citizens get the greatest return for their tax dollars, each year the Appalachia HIDTA establishes a sound strategic plan and realistic resource requests based upon a comprehensive Threat Assessment. For details on the threats identified, please refer to *The Appalachia HIDTA Threat Assessment for Budget Year 2006*<sup>10</sup>. The following summary is presented for your convenience:

The Appalachia High Intensity Drug Trafficking Area (AHIDTA) region is a major source of domestically produced marijuana and a destination for foreign produced marijuana. Additionally, the AHIDTA region is faced with serious threats from methamphetamine production and abuse, trafficking and abuse of prescription drugs, crack cocaine trafficking, and drug-related violence.

The threats that marijuana, methamphetamine, diverted pharmaceutical drugs, crack cocaine, and drug related violence pose to the Appalachia HIDTA area are illustrated by responses to the NDIC NTDS 2006 survey by LEAs in the Appalachia HIDTA area. Approximately 95% of state and local law enforcement agencies in the Appalachia HIDTA reported the availability of marijuana as high or moderate in their jurisdictions. Additionally, 75% of the same agencies reported methamphetamine availability as high or moderate, and 70% reported the same level of availability of diverted pharmaceuticals in their jurisdictions.

An abundance of rural and rugged terrain, with rich soil and favorable climatic conditions, combined with a vast amount of remote public and private lands, makes the AHIDTA ideally suited for the clandestine production and cultivation of marijuana. Marijuana growers make extensive use of public lands in the AHIDTA to ply their trade. The AHIDTA is home to the Daniel Boone and Cherokee National Forests, the Great Smoky Mountains and Big South Fork National Parks and to lands owned and controlled by the Tennessee Valley Authority. The



Daniel Boone is routinely one of the top ten National Forests in amount of marijuana plants eradicated. Utilizing the most recent data available, the Daniel Boone was ranked third in terms of total amount of plants eradicated and the only National Forest outside of California ranked in the top ten.

The AHIDTA continues to combat methamphetamine production and abuse. Along with locally produced methamphetamine, Mexican methamphetamine traffickers import cheap, high-quality methamphetamine into the AHIDTA region from the West Coast and the Southwest border areas of the United States to meet a growing demand that sometimes exceeds the production capacity of regional labs. In 2005, all three AHIDTA states enacted legislation controlling the sales of over-the-counter products containing pseudoephedrine and ephedrine. Based on clandestine lab seizures statistics, state legislation restricting the availability of methamphetamine precursor chemicals, such as pseudoephedrine, have had a dramatic impact on small toxic labs. For example, in Tennessee, the average monthly seizures of clandestine labs decreased by 67% after the enactment of the state legislation.<sup>11</sup>

The use of public lands by marijuana and methamphetamine producers results in a negative environmental impact in terms of damage to trees, plants, natural resources, archeological sites, wildlife, and endangered species. Due to the actions of marijuana and methamphetamine producers, the U.S. Forest Service classified 1,069 acres of the Daniel Boone and Cherokee National Forests as environmentally impacted or constrained to public/employee safety because of drug activity, according the most recent data available.

Aside from marijuana and methamphetamine trafficking, the diversion and abuse of prescription drugs may be the most significant drug threat within the Appalachia HIDTA region. The most commonly diverted and illicitly used pharmaceuticals in the Appalachia HIDTA region are narcotic analgesics, specifically, OxyContin, oxycodone, hydrocodone, Percodan, Percocet, Lortab, and the depressants Xanax and Valium. Other commonly diverted pharmaceuticals include other analgesics such as methadone, morphine, hydromorphone/Dilaudid, Vicodin, and codeine.

Primary sources of diverted prescription drugs in the Appalachia HIDTA include pharmacy theft, "doctor shopping," fraudulent prescriptions and the purchase of large quantities of controlled substances from unscrupulous Internet pharmacies. Many of these pharmacies are based outside the Appalachia HIDTA and distribute controlled substances with virtually no checks, balances, or accountability. The actions of Internet pharmacies impacted Appalachia HIDTA counties especially hard, forcing parcel delivery services to add additional resources or discontinue residential delivery of parcels from these pharmacies altogether. In 2006, the State of Kentucky enacted legislation targeting Kentucky business practices of out of state Internet pharmacies. This legislation helped stem the tide of Internet pharmacy provided controlled substances in Kentucky.

Drug-related violence has increased in parts of the Appalachia HIDTA and poses a serious threat to law enforcement and the citizenry of the Appalachia HIDTA. This threat is extremely prevalent in West Virginia counties of the AHIDTA. DTOs under investigation for cocaine trafficking killed two federal informants in rural West Virginia and murder rates have increased in metropolitan areas. An unknown, but probably significant, portion of the violence is linked to out-of-state crack cocaine traffickers who buy weapons cheap in West Virginia with their drug proceeds, resell them back home, buy more drugs, and begin the import-export cycle again. The NDTs 2006 asked AHIDTA reporting agencies to list the drug(s) that contribute the most to the violent and property crime in their areas. Over half of the responding AHIDTA

agencies reported that methamphetamine was most often associated with both violent and property criminal activity. Crack cocaine was the second most referenced drug associated with violent crime and the third most associated with property crime. Diverted prescription drugs were the third most referenced drug associated with violent crime and the second most associated with property crime.

In CY2005, the Appalachia HIDTA identified 230 DTOs operating within its region and targeted 227 to be disrupted or dismantled. Of the 230 DTOs identified, 101 operated in multiple states beyond the Appalachia HIDTA region, or were involved in international operations. The Appalachia HIDTA also focused on significant drug trafficking violators, as 28 of the 101 larger DTOs were designated as CPOT, RPOT, and/or OCDETF investigations. Outside of the three state area (Kentucky, Tennessee, and West Virginia), Mexico, Ohio, and Texas are the primary source areas for drugs transported to the Appalachia HIDTA area, followed by Georgia, Illinois, Indiana, New York and Virginia.<sup>12</sup>

The rural counties of the AHIDTA region are plagued by high rates of unemployment, poverty, adult illiteracy, fragmented families, teenage pregnancy, public corruption, and an established tradition of bootlegging moonshine. Due to these conditions, illicit drug activities are sometimes accepted and even encouraged by members of the local population – a situation similar to that found in poverty-stricken inner city areas.

## V. HIDTA STRATEGY SUMMARY

The reader is referred to *The Appalachia HIDTA 2006 Strategy*<sup>13</sup> for details on the Appalachia HIDTA initiatives. The following summary is presented for your convenience:

The Appalachia HIDTA provides a coordination umbrella for local, state, and federal drug law enforcement efforts; fosters a strategy-driven, systemic approach to integrate and synchronize efforts; and focuses on outcomes and impacts.

The Appalachia HIDTA Executive Board oversees all aspects of the Appalachia HIDTA. It approves the Threat Assessment, establishes policies within the framework of national HIDTA program guidance and provides strategic direction in the establishment of the resultant Strategy and its outcomes. It reviews and approves for submission all initiative proposals and their budgets. Finally, it reviews the performance of the individual initiatives and the Appalachia HIDTA as a whole in implementing the HIDTA program concept and the Appalachia HIDTA Strategy.

The Appalachia HIDTA, acting upon its vision, sponsors an atmosphere where results are more important than who gets credit. These efforts foster an increased willingness to share information, develop and cooperate in joint investigations and create lasting partnerships among the Appalachia HIDTA's federal, state and local members and agencies. This is the *true purpose* of the HIDTA program and the Appalachia HIDTA.

Appalachia HIDTA initiatives focus on each aspect of the threat in ways that ensure that the significant problems in targeted areas receive maximum attention. Implementation of this strategy requires an infrastructure that fosters interagency collaboration and cooperation. Coordination of efforts is achieved through communication among all Appalachia HIDTA enforcement subsystems and initiatives.

Appalachia HIDTA investigative initiative task forces target drug trafficking organizations using the full gamut of investigative techniques. Though marijuana is the primary

threat, task forces target the most significant organizations regardless of their scope or drug orientation. The Investigative Support Center (ISC) allows initiatives and other participants to share information concerning organizational structures, transportation and distribution habits and other related intelligence.

The drug threats in Appalachia require a multifaceted response that targets drug production, trafficking, distribution and demand. The Appalachia HIDTA is uniquely suited to provide the multifaceted approach necessary. Central to this mission is the expansion of cooperative, multi-jurisdictional law enforcement efforts involving HIDTA funded and non-HIDTA funded resources. By balancing efforts to attack drug trafficking at every layer, and coordinating non-enforcement efforts in targeted communities, the Appalachia HIDTA facilitates the necessary cooperation among federal, state and local agencies into collaborative initiatives that target drug cultivation and distribution.

The Appalachia HIDTA funded 21 initiatives in CY 2006 distributed as follows:

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• 16 - Investigative - DTO Focus</li><li>• 1 - Intelligence Focus</li><li>• 2 - Eradication Focus</li></ul> | <ul style="list-style-type: none"><li>• 1 – Training Focus</li><li>• 1 – Administration Focus</li></ul> |
|---|---|

## VI. HIDTA PERFORMANCE MEASURES

Shrinking resources and declining confidence in Government spawned legislative and administrative mandates for increased accountability and improved performance of federal agencies. In the late 1990's, the U.S. House Government Reform Committee solicited information about the effectiveness of the HIDTA Program from the Office of Management and Budget (OMB) as part of its review of the Office of National Drug Control Policy (ONDCP). OMB reviewed the HIDTA Program in FY 2000 and issued a report of its findings. OMB recommended that the HIDTA program implement a performance measurement system with sound program outcome goals; design a process to link individual HIDTA funding to performance; and seek no funding increases until the program had been implemented and evaluated.

In response, ONDCP initiated an interim project providing additional funding to HIDTA's targeting high level drug trafficking organizations (DTOs) identified on the Department of Justice's Consolidated Priority Organizational Target (CPOT) list and implemented a performance management system holding each HIDTA accountable of performance based on its individual threat assessment. This system, used by the HIDTA program from 1999 to 2002, provided a mixed bag of measurements that was not adequate in measuring the performance or impact, of individual HIDTAs or the HIDTA Program.

At the direction of the National HIDTA Program Director, the HIDTA Directors Advisory Council formed the Performance Management Committee (PMC). The PMC, building upon the strengths of the interim program, developed the Performance Management Process (PMP). The PMP is based upon three simple guiding principles: "Say what you do", "Do what you say", and "Show what you did". Fully implemented in 2004, the PMP is how HIDTAs demonstrate their accomplishments toward the two National HIDTA Goals. HIDTAs set performance targets using a standard set of performance measures, record data to track their achievements on the performance targets, and report the outcomes of their efforts. Under the PMP, the Appalachia HIDTA Annual Report now functions as a report card of the outcomes of its efforts to achieve its performance targets. The following series of tables and charts present specific outputs and efficiency measures organized in order by Appalachia HIDTA Goals. The following results show that the Appalachia HIDTA is performing in an efficient and effective

manner and, ultimately, making a positive impact on the citizens and communities of the Appalachia HIDTA.

**A. Performance Measures for Goal 1**

**Table 1 – Percentage of Expected DTOs and MLOs Disrupted or Dismantled by Scope 2006**

Table 1: Percentage of Expected DTOs and MLOs Disrupted or Dismantled by Scope for Year 2006, at Appalachia HIDTA [ALL DTOs; MLOs included]								
Scope	#DTOs & MLOs Identified	# DTOs & MLOs to be Disrupted or Dismantled	# DTOs & MLOs Disrupted	% Disrupted	# DTOs & MLOs Dismantled	% Dismantled	Total Disrupted or Dismantled	Total % Disrupted or Dismantled
International	14	6	5	83%	2	33%	7	117%
Multi-state	111	43	28	65%	26	60%	54	126%
Local	125	88	16	18%	19	22%	35	40%
Total	250	137	49	36%	47	34%	96	70%

**Table 2 - Percentage of DTOs and MLOs Disrupted or Dismantled by Scope, 2006**

Table 2: Percentage of Under Investigation DTOs and MLOs Disrupted or Dismantled by Scope for Year 2006, at Appalachia HIDTA [ALL DTOs; MLOs included]								
Scope	#DTOs & MLOs Identified	# DTOs & MLOs Under Investigation	# DTOs & MLOs Disrupted	% Disrupted	# DTOs & MLOs Dismantled	% Dismantled	Total Disrupted or Dismantled	Total % Disrupted or Dismantled
International	14	14	5	36%	2	14%	7	50%
Multi-state	111	111	28	25%	26	23%	54	49%
Local	125	125	16	13%	19	15%	35	28%
Total	250	250	49	20%	47	19%	96	38%

HIDTAs across the country target drug trafficking organizations (DTOs) and are dedicated to stopping them. The Appalachia HIDTA by design focuses its efforts on identifying and disrupting/dismantling “full service” DTOs that, although they operate in the Appalachia HIDTA region, also impact the national and international illicit drug markets. A “full service” DTO is one that engages in trafficking, transportation, distribution, and money laundering activities. DTOs operating in the Appalachia HIDTA region cultivate marijuana, manufacture methamphetamine and traffic/distribute those two drugs, diverted pharmaceuticals, cocaine, crack cocaine, and/or firearms. Tables 1 through 4 measures the significant impact Appalachia HIDTA initiatives had on “full service” DTOs operating at the international, national/regional, and local levels.

At the beginning of each year, Appalachia HIDTA initiatives are already investigating previously identified DTOs, many of which have been specifically targeted for disruption or total dismantlement. Table 1 and Table 2 show that as of January 2006, Appalachia HIDTA initiatives had identified and were investigating a total of 250 DTOs. As part of the budgeting and planning process, Appalachia HIDTA initiatives indicate the number of DTOs/MLOs they expect to disrupt and/or dismantle. The second column of Table 1 shows that Appalachia HIDTA law enforcement initiatives planned to disrupt and/or dismantle a total of 137 DTOs/MLOs during calendar year 2006. At the end of CY2006, Appalachia HIDTA law enforcement initiatives had disrupted 49 and dismantled 47 DTOs. In all, a total of 96 DTOs were successfully disrupted or dismantled. Stated another way, Appalachia HIDTA law enforcement initiatives successfully disrupted and/or dismantled 70% of the 137 DTOs they expected to disrupt or dismantle in CY2006. Table 2 compares the total number of DTOs disrupted and dismantled by Appalachia HIDTA law enforcement initiatives to the total number of DTOs under investigation by Appalachia HIDTA law enforcement initiatives. The 96 DTOs disrupted and/or dismantled represents, as indicated in Table 2, 38% of the 250 DTOs under investigation by Appalachia HIDTA law enforcement initiatives.

As stated earlier, the Appalachia HIDTA is designed and dedicated to not only attacking DTOs impacting its immediate area, but also those that operate in the national/regional and international arenas. Table 2 helps explain the Appalachia HIDTA's efforts and success by operational scope of the DTOs identified and under investigation in calendar year 2006. Of the 250 DTOs under investigation, 125 (50%) operated in multiple states beyond the Appalachia HIDTA region, or were involved in international operations. Appalachia HIDTA initiatives successfully disrupted 7 and totally dismantled 54, for a total of 61 of these larger DTOs. Of the 125 multi-state/international DTOs under investigation, 49% were either dismantled or disrupted. During a time of flat-lined budgets, this is a significant accomplishment and is indicative of the hard work and dedication of the officers and agents in the field.

Appalachia HIDTA task force initiatives conducted a number of investigations that are indicative of the significant impact that the Appalachia HIDTA has on drug trafficking in its region and the nation. The following investigation, recognized by ONDCP as the 2007 National HIDTA Outstanding Investigative Effort, is indicative of the quality and standard of the work done by Appalachia HIDTA task force initiatives. CLAYRUPT, a lengthy OCDETF Title III investigation by the Southeast Kentucky OCDETF/Public Corruption Task Force, focused on a large scale methamphetamine, cocaine, and marijuana trafficking organization based in Clay County, Kentucky. The Title III was supported by four Appalachia HIDTA Task Force initiatives encompassing personnel from 33 federal, state and local law enforcement agencies. The investigation led to the federal indictment of three Clay County public officials. Intelligence gained led to a spin-off Title III investigation by DEA in El Paso, TX, involving the drug supplier for three CPOT targets. Intelligence gained from that spin-off investigation supported a Title III investigation by the DEA London Task Force, an Appalachia HIDTA initiative, resulting in the arrest of 15 subjects including a drug supplier in Atlanta, Georgia. Continued investigation and exploitation of information resulted in intelligence on a tunnel near Nogales between the United States and Mexico, and the arrest of two FBI fugitives and three DEA fugitives. To date, CLAYRUPT has spanned 10 States and Mexico and has been responsible for the seizure of over \$6.9 million in U.S. currency, real properties, vehicles and other assets. There have been money judgments awarded by the courts in the amount of \$15 million, for a total of over \$21.9 million in asset seizures and money judgments which do not include a possible \$3 million dollar proffer in San Diego, California. There have been 35 arrests with 30 convictions, with the seizure of 8,500 pounds of marijuana, five kilos of cocaine, and five pounds of

methamphetamine. Two major DTOs operating in Clay County were dismantled and numerous other DTOs throughout the country were disrupted or dismantled.

In January 2006, the DEA Rocky Top HIDTA Task Force targeted a major marijuana trafficking organization based in Knoxville, TN. This investigation, nominated for the 2007 National HIDTA Outstanding Investigative Effort resulting in Significant Asset Forfeiture, developed from a seizure of approximately \$362,000 USC by the Arizona Highway Patrol from a vehicle operated by a Knoxville, Tennessee resident. Further investigation revealed that the currency was proceeds of marijuana sales destined to the Arizona marijuana supplier from the Knoxville marijuana DTO. This nine month long PTO/OCDEF investigation included four Title III wire intercepts of cellular telephones and led to the indictment and arrest of 14 individuals, the seizure of 1,500 pounds of marijuana, approximately \$1.2 million dollars USC, four vehicles, four weapons, and property valued in excess of \$6 million in Tennessee, North Carolina and Hawaii. This investigation was supported by, in addition to the DEA Rock Top Task Force, personnel from nine federal, state and local law enforcement agencies across five states.

In 2006, the Huntington (WV) Violent Crime/Drug Task Force, assisted by the WV DEA (Charleston) HIDTA Task Force, aggressively targeted an extremely violent crack cocaine trafficking organization operating in and around Huntington, WV, with organizational links to Detroit, MI. The Huntington area has seen an influx of crack cocaine DTOs from Midwest metropolitan areas, especially Detroit. These DTOs have targeted Huntington because of profit margin, location, and less competition for customers. The influx of crack cocaine and DTOs is responsible for an increase in the nature and number of violent crimes, particularly drive-by shootings, felonious assaults, and homicides. The DTO target of the AHIDTA Task Forces is the most violent of the DTOs linked to Detroit and is suspected in at least six homicides, including a quadruple homicide. Diligent investigation has led to the arrest and conviction of two DTO members and the indictment of three other DTO members related to one of the murders. Additionally, AHIDTA Task Force members continue to develop and exploit information on Detroit-Huntington drug trafficking networks, significantly disrupting drug trafficking between those two cities.

These investigations would not have succeeded if not for the full cooperation and full information sharing among all of the member agencies of the task forces. These investigations exemplify the true spirit and intention of the Appalachia HIDTA and the achievable results when federal, state, and local law enforcement agencies cooperate and work together.

Table 2 also demonstrates the Appalachia HIDTA's commitment to impact local drug trafficking. In 2006, the Appalachia HIDTA had 125 local DTOs under investigation, disrupting 16 and dismantling 19. Targeting local DTOs is arguably the most important activity of HIDTAs. Similar to the adage that all politics are local, ultimately, all drug trafficking is a local issue. The take down of local organizations and the incarceration of their members is immediately noticed by local citizens. Private citizens see that the drug problems in their community are not being ignored, and that law enforcement is responsive to the community's concerns. The dismantling of local DTOs removes blight from a street or a community and does not go unnoticed by the populace. It can embolden citizens to become involved as partners with law enforcement and to report suspicious activity because they know that their words will not fall on deaf ears and action will be taken. Attacking local traffickers ultimately affects multi-state and other larger DTOs by disrupting a segment of their distribution network. Disruptions in distribution prevent drugs from getting to users; and if drugs don't get to users, profits don't get back to DTOs. The Appalachia

HIDTA, while focusing on large DTOs, will continue to disrupt and dismantle the local organizations that sustain large DTOs and mar local communities.

**Table 3 – Percentage of Expected Money Laundering Organizations Disrupted or Dismantled by Scope 2006**

Table 3: Percentage of Expected Money Laundering Organizations Disrupted or Dismantled by Scope for Year 2006, at Appalachia HIDTA								
Scope	# MLOs Identified	# MLOs to be Disrupted or Dismantled	# MLOs Disrupted	% Disrupted	# MLOs Dismantled	% Dismantled	Total Disrupted or Dismantled	Total % Disrupted or Dismantled
International	1	0	0	0%	0	0%	0	0%
Multi-state	0	4	0	0%	0	0%	0	0%
Local	0	4	0	0%	0	0%	0	0%
Total	1	8	0	0%	0	0%	0	0%

**Table 3a - Percentage of Money Laundering Organizations Disrupted or Dismantled by Scope, 2006**

Table 3a: Percentage of Under Investigation Money Laundering Organizations Disrupted or Dismantled by Scope for Year 2006, at Appalachia HIDTA								
Scope	# MLOs Identified	# MLOs Under Investigation	# MLOs Disrupted	% Disrupted	# MLOs Dismantled	% Dismantled	Total Disrupted or Dismantled	Total % Disrupted or Dismantled
International	1	1	0	0%	0	0%	0	0%
Multi-state	0	0	0	0%	0	0%	0	0%
Local	0	0	0	0%	0	0%	0	0%
Total	1	1	0	0%	0	0%	0	0%

Illegal drug trafficking generates significant amounts of bulk currency. Concealing, managing, and using these illicit proceeds pose a major challenge to drug trafficking organizations. Within the drug trafficking industry are money laundering organizations whose primary activity is to conceal, transfer and manage proceeds for DTOs. Money is why DTOs are in business and without their proceeds they will cease to do business. Therefore, searching for, finding, and forfeiting illicit proceeds of DTOs are goals of every drug trafficking investigation. Historically, the Appalachia HIDTA has been devoid of organizations that engage predominantly in money laundering. This may be due in part to the tight-knit family or extended family nature of DTOs in the area, elevated poverty and unemployment, and a distrust of banking and government institutions on the part of some residents. Nevertheless, Table 3a shows that an Appalachia HIDTA initiative identified, and was investigating, one money laundering organization (MLO) in CY 2006.

**Table 4 - CPOT, RPOT, and OCDETF Cases Initiated by Scope, 2006**

<b>Table 4: CPOT, RPOT, and OCDETF Cases (by Operational Scope) Initiated in 2006, at Appalachia HIDTA</b>			
<b>Scope</b>	<b># CPOT Cases</b>	<b># RPOT Cases</b>	<b># OCDETF Cases</b>
<b>International</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>Multi-state</b>	<b>1</b>	<b>2</b>	<b>14</b>
<b>Local</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Total</b>	<b>1</b>	<b>2</b>	<b>17</b>

**Table 4a – Active CPOT, RPOT, and OCDETF Cases by Scope, 2006**

<b>Table 4a: All Active CPOT, RPOT, and OCDETF Cases (by Operational Scope) in 2006, at Appalachia HIDTA</b>			
<b>Scope</b>	<b># CPOT Cases</b>	<b># RPOT Cases</b>	<b># OCDETF Cases</b>
<b>International</b>	<b>0</b>	<b>1</b>	<b>7</b>
<b>Multi-state</b>	<b>1</b>	<b>6</b>	<b>29</b>
<b>Local</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>Total</b>	<b>1</b>	<b>9</b>	<b>38</b>

The ONDCP and other federal agencies stress the importance of developing cases with the potential to qualify for OCDETF designation. Table 4 shows that Appalachia HIDTA task force initiatives initiated 17 OCDETF investigations in CY2006. Of these investigations, 14 were determined to operate in multiple states or a region. Table 4a shows that at the close of CY2006, Appalachia HIDTA task force initiatives were actively conducting 38 OCDETF designated investigations. Additionally, over 76% of the Appalachia HIDTA OCDETF investigations were directed at multi-state DTOs.

Tables 1 through 4 indicate that in this time of flat-line budgets and limited resources, the Appalachia HIDTA continues to effectively disrupt and dismantle key international, multi-state, and local organizations operating in the Appalachia region.

Seizing illicit drugs from a DTO has the same effect as seizing profits from a legitimate business. Legitimate businesses sell products and services based on the perceived wants and needs of the general public. Prices of products and services are based on the business's expenses to produce, obtain, and/or deliver the product, the cost of maintaining the business location, labor costs, and a reasonable profit. Seizing drugs disrupts the ability of a DTO to conduct business and make a profit. Cash maintains the existence of the DTO – it allows the DTO to survive.



Simply, seizing drugs denies a DTO of potential profits. During CY 2006, drug seizures by the Appalachia HIDTA denied DTOs of over \$1.133 billion in potential profits. Table 5 lists the wholesale values of the respective drugs seized. For some drugs, a wholesale price for the Appalachia HIDTA region was unavailable or not applicable. For these drugs, mid-level prices were used in determining Table 5 values. Differences in the value of drugs among the three regions of the Appalachia HIDTA (Southeastern Kentucky, Eastern Tennessee, and Southwest West Virginia) were used in determining Table 5 values. Table 5 provides a snapshot of the economic impact on DTOs resulting from drug seizures.

**Table 5 - Drugs Removed from the Marketplace, 2006**

<b>Table 5: Drugs Removed from the Marketplace for Year 2006, at Appalachia HIDTA</b>		
<b>Drugs Seized (kg or D.U.)</b>	<b>Amount Seized (kg or D.U.)</b>	<b>Wholesale Value</b>
Heroin kg	0.650	\$96,991
Cocaine HCL kg	67.482	\$1,488,316
Crack cocaine kg	9.204	\$292,542
Marijuana kg	7,049.757	\$13,928,158
Marijuana plants and grows	0	\$0
Methamphetamine kg	1.856	\$48,581
Methamphetamine ice kg	15.126	\$600,502
Ecstasy(MDMA)(D.U.s)	1,549.000	\$35,970
Alprazolam	36.000	\$108
Diazepam	660.000	\$1,980
Dilaudid	728.000	\$7,280
Hydrocodone	10,576.500	\$87,139
Hydromorphone	528.000	\$4,224
Lorcet	1511.000	\$13,810
Lortab	602.000	\$3,860
Marijuana (indoor)	953.290	\$5,052,437
Marijuana (outdoor)	209656.692	\$1,111,180,467
Methadone	464.000	\$4,803
Morphine	554.000	\$8,310
Other	454.000	\$9,988
Oxycodone	221.000	\$4,580
OxyContin	7180.000	\$339,535
Percocet	16.000	\$136
Prescription Drugs	6574.000	\$144,628
Xanax	25771.000	\$77,313
<b>Total Wholesale Value</b>		<b>\$1,133,431,660</b>

**Table 6 - Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives, 2006**

Appalachia HIDTA Table 6: Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives by Year					
Year	Budget	Baseline Drug Wholesale Value	Expected Drug ROI	Drug Wholesale Value Removed From Market	Actual Drug ROI
2004	\$4,246,122	\$925,038,564	\$218.00	\$954,280,973	\$224.74
2005	\$5,091,046	\$925,038,564	\$225.00	\$1,079,224,521	\$211.98
2006	\$5,307,986	\$925,038,564	\$225.00	\$1,133,431,660	\$213.53

**Table 7 - Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives, 2006**

Appalachia HIDTA Table 7: Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives by Year							
Year	Budget	Baseline Value of Drug Assets	Expected Asset ROI	Value of Drug Assets Removed from Market			Actual Asset ROI
				Cash	Other Assets	Total	
2004	\$4,246,122	\$6,044,914	\$1.00	\$3,558,636	\$6,568,220	\$10,126,856	\$2.38
2005	\$5,091,046	\$6,044,914	\$2.00	\$2,652,621	\$6,328,095	\$8,980,717	\$1.76
2006	\$5,307,986	\$6,044,914	\$2.00	\$7,469,599	\$15,018,300	\$22,487,899	\$4.23

Tables 6, 7 and 8 show the dramatic efficiency of the Appalachia HIDTA in removing illicit drugs and potential drug profits from DTOs. The baselines for these Tables were determined using CY 2004 statistics. Statistics for CY 2004 were used because of the previously mentioned Appalachia HIDTA-wide reorganization in 2003. Due to the reorganization, statistical collection became more centralized, efficient, and reliable, thus arguably making statistics for 2004 a better measurement of the efforts and outcomes of the Appalachia HIDTA.

Appalachia HIDTA initiatives seized over \$1.133 billion in illicit drugs during CY 2006, thereby reducing overall availability and potential subsequent abuse. This result represents an increase of 5% from CY2005 and an extraordinary increase of almost 19% over the baseline for CY 2004. The value of illicit drugs seized by Appalachia HIDTA task force initiatives yielded an exceptional Return on Investment (ROI) of \$213 for every \$1.00 of HIDTA funding invested in Appalachia HIDTA law enforcement and intelligence initiatives. Additionally, the Appalachia HIDTA seized over \$22.4 million in assets during CY2006. This is an increase of over 150% from CY 2005 and yielded an ROI of \$4.23 for every \$1.00 of HIDTA funding invested in Appalachia HIDTA law enforcement and intelligence initiatives. The CY2006 ROI of \$4.23 represents a 140% increase from CY2005. Additional law enforcement dollars from agencies

outside of the Appalachia HIDTA for such expenses as officer salaries, police overhead and so forth, also contributed to the budget and resulting drug seizures shown in the above tables. Those dollar figures do not appear in Tables 6, 7 and 8. These tables are designed to show ROIs based solely on what the Appalachia HIDTA spends.

**Table 8 - Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives, 2006**

Appalachia HIDTA Table 8: Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives by Year					
Year	Budget	Drugs and Assets Baseline	Expected Total ROI	Drugs and Assets Removed from Market	Actual Total ROI
2004	\$4,246,122	\$931,083,478	\$219.00	\$964,407,829	\$227.12
2005	\$5,091,046	\$931,083,478	\$227.00	\$1,088,205,238	\$213.74
2006	\$5,307,986	\$931,083,478	\$227.00	\$1,155,919,560	\$217.76

In all, the Appalachia HIDTA permanently removed almost \$1.156 billion in illicit drugs and drug profits from the Appalachia HIDTA marketplace. This is a remarkable figure and reflects an increase of 6% over CY 2005. In terms of taxpayer money invested, these results yield an impressive rate of return (ROI) of \$217.76 for every \$1.00 of HIDTA funding invested in Appalachia HIDTA law enforcement and intelligence initiatives. These rates of return are above and beyond the returns of the best run businesses in the private sector and show that taxpayer funds are not only being well spent but are providing significant tangible results.

Although reduced in scope, methamphetamine continues to pose a threat in the Appalachia HIDTA. Methamphetamine manufacturing activity in the Appalachia HIDTA region consists primarily of small, unsophisticated and, at times, portable clandestine laboratories producing limited quantities of methamphetamine. The enactment of legislation across the Appalachia HIDTA controlling the sale and access to pseudoephedrine played a significant role in reducing the number of clandestine methamphetamine laboratories in the region. To sustain the downward trend in the number of clandestine laboratories, Appalachia HIDTA initiatives continue to seek out clandestine laboratories in order to eliminate them and incarcerate their operators. Table 9 shows that Appalachia HIDTA initiatives targeted 320 clandestine methamphetamine laboratories but dismantled only 114 methamphetamine drug laboratories, the majority (84%) being of the 2 ounce or less size variety. The 114 dismantled laboratories represent a 130% decrease from CY2005 when 263 laboratories were dismantled. Methamphetamine has a local mid-level selling price of \$1,300 per ounce. As depicted below, Appalachia HIDTA initiatives in CY2006 conservatively prevented further production of over \$366,600 of raw methamphetamine.

**Table 9 - Value of Clandestine Methamphetamine Labs Dismantled in 2006, by Size**

<b>Table 9: Value of Clandestine Methamphetamine Laboratories Dismantled by Size for Year 2006, at Appalachia HIDTA</b>			
<b>Meth Cost Per Ounce</b>		<b>\$1,300.00</b>	
<b>Lab Size</b>	<b>ID/Targeted</b>	<b>Dismantled</b>	<b>Value of Labs Dismantled</b>
<b>A. Less than 2 Oz</b>	<b>320</b>	<b>96</b>	<b>\$249,600.00</b>
<b>B. 2 - 8 Oz</b>	<b>0</b>	<b>18</b>	<b>\$117,000.00</b>
<b>C. 9 - 31 Oz</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>
<b>D. 32 - 159 Oz</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>
<b>E. 10 - 20 Lbs</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>
<b>F. Over 20 Lbs</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>
<b>Total</b>	<b>320</b>	<b>114</b>	<b>\$366,600.00</b>

**Table 10 - Clandestine Laboratory Activities, 2006**

<b>Table 10: HIDTA Clandestine Laboratory Activities for Year Appalachia HIDTA, in 2006</b>				
	<b>Baseline</b>	<b># Projected</b>	<b># Identified</b>	<b>% Identified</b>
<b>Laboratory Dump Sites Seized</b>	<b>66</b>	<b>104</b>	<b>19</b>	<b>18%</b>
<b>Chemical/Glassware Equipment Seizures</b>	<b>25</b>	<b>50</b>	<b>19</b>	<b>38%</b>
<b>Children Affected</b>	<b>22</b>	<b>17</b>	<b>0</b>	<b>0%</b>

The pseudoephedrine legislation and the decrease in dismantled laboratories led to a corresponding decrease in the number dumpsites and seizures of chemicals/glassware. Table 10 shows decreases from baselines in all three clandestine laboratory activities. The 19 seized dump sites in CY2006 represents a 62% decrease over CY2005, and the 19 chemical/glassware seizures in CY2006 represents a 56% decrease over CY2005. While Appalachia HIDTA Task Forces did not locate any children affected by clandestine laboratories, data maintained in the National Clandestine Laboratory Seizure System (NCLSS) shows that a total of 37 children were affected by a laboratory or exposed to toxic chemicals in the counties of the Appalachia HIDTA.

The difference in reporting indicates a possible miscommunication in reporting of children affected by laboratories by Appalachia HIDTA Task Forces and other law enforcement agencies in Appalachia HIDTA counties.

**B. Performance Measures for Goal 2**

**Table 11 – Appalachia HIDTA Training Efficiency by Year and Type of Training**

Table 11: HIDTA Training Efficiency by Type of Training for Year 2006, at Appalachia HIDTA											
Type of Training	# Students Expected for Training		# Students Actually Trained		# Training Hours Actually Provided		Total Training Cost		Training Cost Per Hour		
	2004	2006	2004	2006	2004	2006	2004	2006	2004	2006	% Change 2004-2006
Analytical/Computer	0	16	18	28	333	242	\$10,217	\$22,860	\$30.68	\$94.46	208%
Investigative/Interdiction	0	720	953	610	12,784	10,115	\$208,149	\$130,679	\$16.28	\$12.92	-21%
Managment/Administrative	0	64	174	125	1,978	1,277	\$39,340	\$38,684	\$19.89	\$30.29	52%
Other	0	0	0	0	0	0	\$0	\$0	0	0	0%
<b>Total</b>	<b>0</b>	<b>800</b>	<b>1,145</b>	<b>763</b>	<b>15,095</b>	<b>11,634</b>	<b>\$257,706</b>	<b>\$192,223</b>	<b>\$17.07</b>	<b>\$16.52</b>	<b>-3%</b>

Training is essential in improving both the efficiency and effectiveness of Appalachia HIDTA operations. The Appalachia HIDTA provided training to 763 students in 2006 through a total of 11,634 classroom hours. The training was designed to improve their computer and analytical skills, bolster their investigative knowledge, and develop their managerial abilities. This training, which cost Appalachia HIDTA an average of just over \$16 per classroom hour, was provided free of charge to Appalachia HIDTA assigned and participating agency investigators. These training courses would not have been otherwise available to these investigators without Appalachia HIDTA support and funding.

Table 11 shows the Appalachia HIDTA trained 33% less students and provided 3,461 less training hours in CY2006 than in CY2004. The total cost of training decreased by over \$65,000, the overall training cost per hour decreased by 3%. These results are consistent with the 52% reduction in training funds for FY2006. Despite the decreases, the courses offered by the Appalachia HIDTA Regional Training initiative were well received and students reported that they continue to use and benefit from skills learned during these courses.

**Table 12 - Percentage of Event and Case Deconflicts Submitted, 2006**

Table 12: Percentage of Event and Case Deconflicts Submitted for Year at Appalachia HIDTA						
Year	Baseline # Deconflicts Submitted	# Deconfliction Submissions Expected	# Event Deconflicts Submitted	# Case/Subject Deconflicts Submitted	Total Deconflicts Submitted	% Deconflicts Submitted
2004	1500	2,000	1,516	764	2,280	114%
2005	1500	1,000	2,927	1,212	4,139	414%
2006	1500	3,000	1,609	1,769	3,378	113%
2007	1500	3,500	0	0	0	0%
2008	1500	3,700	0	0	0	0%

Officer safety is job number one for all law enforcement initiatives and agencies investigating drug trafficking and other criminal activity. Deconfliction of events and case/subjects among initiatives and agencies is a major factor in the officer safety equation. Event deconfliction is the advanced cross-checking of planned events to avoid danger to, or interruption of, another drug case's activities. Examples of events include stakeouts, drug buys, and search warrants. The purpose of case/subject deconfliction is to avoid possible conflicts among cases and subjects. Examples of subjects include persons, vehicles, weapons, phone numbers, addresses, and businesses. The Appalachia HIDTA uses the Secure Automated Fast Event Tracking Network (SAFETNET) to provide deconfliction service. The Appalachia HIDTA encourages all law enforcement agencies within and outside of the region to use SAFETNET and provides training to any and all law enforcement entities who express an interest in using this service. Deconfliction service and training is provided by the Appalachia HIDTA Investigative Support Center (ISC). In addition to all Appalachia HIDTA Task Force initiatives, all Kentucky State Police Posts, the Louisville Metropolitan Police Department and other law enforcement agencies operating in the Appalachia HIDTA area of responsibility actively use this service. Table 12 shows the levels of use of the deconfliction service among Appalachia HIDTA initiatives and participating agencies.

**Table 13 - Percentage of Investigations Provided Analytical Support, 2006**

Table 13: Percentage of Cases Provided Analytical Support for Year at Appalachia HIDTA				
Year	Baseline # Cases Receiving Analytical Support	# Cases Expected for Analytical Support	# Cases Provided Analytical Support	% Expected Cases Supported
2004	667	667	509	76%
2005	667	500	719	143%
2006	667	700	87	12%
2007	667	100	0	0%
2008	667	120	0	0%

**Table 14 - Percentage of HIDTA Initiative Investigations Referred to Other HIDTAs and Other Agencies, 2006**

Table 14: Percentage of HIDTA Initiative Cases Referred to Other HIDTAs and Other Agencies for Year at Appalachia HIDTA						
Year	Total HIDTA Initiative Cases	# Initiative Cases Expected for Referral	# HIDTA Initiative Cases Referred to Other HIDTAs	# HIDTA Initiative Cases Referred to Other Agencies	Total Initiative Cases Referred	% Expected Initiative Cases Referred
2004	2408	253	14	427	441	174%
2005	3267	284	24	232	256	90%
2006	2120	432	48	249	297	68%
2007	0	301	0	0	0	0%
2008	0	40	0	0	0	0%

Table 13 is designed to show how many investigations were provided analytical support by the Appalachia HIDTA ISC. During CY 2004, ISC performance data collection focused solely on the types of support provided but did not capture the actual number of investigations benefiting from the types of support. Data collected during CY2005 focused on types of support and the number of investigations supported and was hoped to provide a more accurate picture of the case support but it did not. In CY2006 data collection focused entirely on number of investigations and the PMP definition of analytical support was tightened accordingly. With additional collection tools, the number of cases supported in the future will be similar to the CY2006 number supported. Table 14 depicts the number of investigations the Appalachia HIDTA referred to other HIDTAs and to other agencies. It shows the Appalachia HIDTA's commitment to information sharing and investigative cooperation.

**C. Threat Specific Performance Measures**

The Appalachia HIDTA area is a major source of domestically grown marijuana. Measured in total eradicated plants, the states of Kentucky, Tennessee, and West Virginia produced 21% of the domestic marijuana eradicated in CY 2006. Historically, these three states have ranked among the top ten of marijuana-producing states. In CY2006 the states ranked as follows: Kentucky (2<sup>nd</sup>), Tennessee (3<sup>rd</sup>), and West Virginia (10<sup>th</sup>). Further analysis shows the preeminence of Appalachia HIDTA counties as sources of marijuana in Kentucky and West Virginia. In Kentucky, 75% of marijuana plants eradicated statewide was eradicated in Appalachia HIDTA counties; in West Virginia, 72% of the statewide total was eradicated in Appalachia HIDTA counties.

The marijuana grown in the Appalachia HIDTA region is vastly different from the marijuana that was abused in the United States in years past. In the 1970’s, the THC content, or strength of the marijuana, fell in the 1-6% range. Tests have shown that the THC content of marijuana eradicated in the Appalachia HIDTA region is comparable to that of sinsemilla, averaging 15% in recent years. The marijuana grown in the Appalachia HIDTA region is very addictive and extremely dangerous.

**Threat Specific Table 1 – Value of Outdoor Marijuana Plants Eradicated by Year**

Appalachia HIDTA Outdoor Marijuana Plants Eradicated				
	Mj Cost Plant (lb)	\$2,400		
Year	# Plants on Federal Land Identified/Targeted	# Plants on Non-Federal Land Identified/Targeted	Total # Marijuana Plants Eradicated	Value of Marijuana Plants Eradicated
2004	22,416	363,881	386,297	\$927,112,800
2005	121,809	319,334	441,143	\$1,058,743,200
2006	99,382	363,179	462,561	\$1,115,215,200
2007				\$0

A significant amount of marijuana is grown on public lands in Kentucky and Tennessee. Specifically, marijuana growers use the Daniel Boone and Cherokee National Forests, the Great Smokey Mountain and Big South Fork National Parks, as well as lands owned and controlled by the Tennessee Valley Authority. National Forest lands provide marijuana growers with an ideal environment for marijuana cultivation. The forestlands are remote, sparsely populated, very accessible, and fall within what is known as the "marijuana belt," so-named due to the ideal soil and climate conditions for cannabis cultivation. Along with growing conditions, National Forest timber practices have opened holes in the canopy, allowing sunlight to reach the forest floor, thus creating new areas for potential marijuana growth. Marijuana growers perceive the vast rural areas of the National Forests as too spacious for law enforcement officials to detect all activities. Additionally, growers often plant their crops on public lands in an effort to lessen personal and /or financial loss due to asset forfeiture procedures, should they be apprehended.



**Threat Specific Table 2 – Value of Indoor Marijuana Plants Eradicated by Year**

Appalachia HIDTA Indoor Marijuana Plants Eradicated			
	Mj Cost Per Plant	\$2,400	
Year	# Indoor Plants Identified/Targeted	Total # Indoor Plants Eradicated	Value of Indoor Marijuana Plants Eradicated
2004	0	6,185	\$14,844,000
2005	0	1,959	\$4,701,600
2006	0	2,112	\$5,068,800

Threat Specific Tables 1 and 2 spotlight the outstanding results of Appalachia HIDTA eradication and investigative initiative efforts in terms of outdoor and indoor plants eradicated. Over 98% of the marijuana was eradicated by Appalachia HIDTA eradication initiatives in Kentucky and West Virginia. The Appalachia HIDTA eradication initiatives are not reactive but extremely proactive. Members of these initiatives conduct pre-season and seasonal, multi-agency aerial and ground surveillance to identify and eliminate both outdoor and indoor-cultivated marijuana. Member agencies provide trained personnel and equipment to search for and destroy marijuana plots to help eliminate marijuana cultivation. Intelligence and investigative leads gleaned from eradication operations regarding cultivation/distribution organizations are shared with other HIDTAs and law enforcement agencies as appropriate.

**Threat Specific Table 3 – Wholesale Value of Marijuana Seized, by Location 2006**

Appalachia HIDTA Wholesale Value of Marijuana Seized					
Location	Baseline Value of Marijuana Seized	# Plants Seized	Amount Processed Marijuana Seized	# Eradication Arrests	Wholesale Value of Marijuana Seized
Outdoor Federal	\$2,400	99,382	23	85	\$238,572,000
Outdoor Non-Federal	\$2,400	363,179	174	129	\$872,047,200
Indoor	\$2,400	2,112	15,346	935	\$41,899,200

Value of plants seized = \$1,115,215,200  
 Value of processed marijuana seized = \$37,303,200

Table 3 breaks down the overall Appalachia HIDTA Eradication outcomes and compares the value of seized processed marijuana to that of eradicated raw or unprocessed marijuana. This table depicts the positive and devastating impact the Appalachia HIDTA eradication and investigative initiatives have on the marijuana marketplace. Simply, the Appalachia HIDTA not only removed over \$37 million of marijuana from the street, or marketplace, but prevented over \$1.115 billion of marijuana from even getting to the marketplace. The influx of \$1.115 billion into any market - legal, grey, or black - would generate powerful shifts in the dynamics of that market, specifically supply and demand, money supply, and earnings. To say the Appalachia HIDTA disrupted marijuana availability is a gross understatement. In CY2006, the hard work

and dedication of the individuals and agencies of the Appalachia HIDTA, by any measure and without a doubt, effectively reduced the supply of marijuana available for sale in the United States.

### **Operation GREEN THUMB: Proactive Appalachia HIDTA Intelligence Resource**

The Operation Green Thumb concept originated in CY2000 during a discussion over an edition of High Times magazine between a Co-Manager and Senior Intelligence Analyst assigned to the Appalachia HIDTA Investigative Support Center (ISC). The analysts recognized that the intrinsic intelligence value of shipment records of grower supply firms advertised in High Times was an untapped resource available to law enforcement agencies. Additionally, the analysts realized that exploitation of the shipment information would provide law enforcement agencies an opportunity to be proactive in their pursuit of marijuana cultivators/growers. Through tact and diplomacy, the Appalachia HIDTA ISC obtained from a national parcel service the information on shipments from known grower supply firms to locations across the United States.

Between 2000 and 2003, Green Thumb information was provided only to Appalachia HIDTA law enforcement agencies and the DEA Domestic Cannabis Eradication/Suppression Program, while the Appalachia HIDTA ISC pursued means to share the information on a wider scale and in a more timely fashion. With invaluable assistance from the Los Angeles JDIG, it was possible to share the information on a wider scale and in a timelier basis but not at the most optimum levels. In August 2006, the Appalachia HIDTA established the Operation Green Thumb secure website. The Green Thumb website, managed by the Appalachia HIDTA ISC, provides registered law enforcement users from across the United States timely access to over 200,000 individual shipment records of grower supply products. To date, there are almost 200 registered users in 22 states and the number grows daily. In the past seven years, Operation Green Thumb information has led to the arrest of over 100 individuals and the seizure of over \$1,000,000 in assets. The actionable intelligence of Operation Green Thumb has proven to be an invaluable, proactive, intelligence asset to the Appalachia HIDTA and the National HIDTA program as a whole.

For the second year in a row Appalachia HIDTA marijuana eradication initiatives and personnel were recognized for making direct and significant contributions to national marijuana eradication efforts for 2006. The Office of National Drug Control Policy (ONDCP) recognized the Kentucky Marijuana Eradication Task Force (KMETF) as a model program and presented it the 2006 National Marijuana Initiative Eradication Team Award. Additionally, the ONDCP recognized two recently retired Kentucky State Police members of the KMETF as premier marijuana airborne spotters and the Appalachia HIDTA ISC Intelligence Analyst for his contributions to the Operation Green Thumb program and marijuana investigations. As the above tables show, the hard work and dedication of the individuals and agencies of the Appalachia HIDTA effectively reduced the supply of marijuana available for sale in the United States.

**Threat Specific Table 4 - Appalachia HIDTA and “The Iron Pipeline”**

<b>Year</b>	<b># of Firearms</b>	<b>Estimated Value</b>
<b>2004</b>	<b>131</b>	<b>\$40,735</b>
<b>2005</b>	<b>962</b>	<b>\$286,799</b>
<b>2006</b>	<b>780</b>	<b>\$236,857</b>

The Iron Pipeline is the term applied to the so-called illicit gun-dealing network that runs from the Midwest to the East Coast, and from the South to the Midwest and points in between. The Appalachia HIDTA sits at the crossroads of the network and serves as a source for guns that feed the network. Nowhere are the effects of the gun-dealing network more evident than in Appalachia HIDTA cities and counties of West Virginia. Out of state drug traffickers, particularly crack cocaine dealers, take advantage of the open gun culture of Appalachia generally, and West Virginia specifically, to buy weapons with drug proceeds and resell them for large profits in their metropolitan home towns. The open gun culture in Appalachia and the open drug culture of major metropolitan areas, allows drug traffickers to buy drugs low at home to resell drugs high in Appalachia, and then buy guns low in Appalachia to resell them high in their hometowns. In short, Appalachia, particularly West Virginia, plays an important role in the drug traffickers import/export business.

Additionally, the open gun culture in Appalachia makes firearms a valuable commodity within the Appalachia HIDTA area. Firearms have no intrinsic value to law enforcement as negotiable financial instruments because once the firearms are seized they cannot be resold but must be destroyed. Throughout Appalachia and the HIDTA area, firearms are not just for hunting and recreation but are also used as financial instruments to obtain services or material goods by way of trading and bartering. It is for these reasons that the seizing and destroying of firearms from drug violators is arguably more significant in the Appalachia HIDTA area than in other areas of the country. Threat Specific Table 4 shows the number of firearms seized by Appalachia HIDTA initiatives and the estimated value to residents if the firearms could be resold.

### **Appalachia HIDTA/Operation UNITE Drug Tip Line**

The Appalachia HIDTA/Operation UNITE Drug Tip Line is a toll-free phone number through which the general public can report suspicious or alleged illegal drug activity in their neighborhood and community. Operation UNITE, launched in April 2003, is an acronym meaning Unlawful Narcotics Investigations, Treatment and Education. Serving the 29 counties of Kentucky's Fifth Congressional District, Operation UNITE works to rid communities of illegal drug use through undercover narcotics investigations, coordinating treatment for substance abusers, providing support to families and friends of substance abusers, and educating the public about the dangers of using drugs.

Although the information provided by the public may not be necessarily true or confirmed, it does have intrinsic raw intelligence value. On a daily basis, Appalachia HIDTA and Operation UNITE investigators and analysts review and search the data for information related to current investigations and for pointer information of possible future investigations. The Tip Line has been embraced by the general public and the information provided has assisted both the Appalachia HIDTA and Operation UNITE in pursuing their missions. In CY2006, the Tip Line fielded 10,193 telephone calls concerning suspicious or alleged illegal drug activity. The Tip Line received calls from all 29 counties of the Kentucky Fifth Congressional District, including 20 of the 27 Kentucky counties within the Appalachia HIDTA.

**Threat Specific Table 5 - AHIDTA Funded Prosecutors Outputs and Outcomes**

Year	Indictments	Convictions	Assets
2004	1,711	815	\$3,370,332
2005	1,402	1,046	\$4,252,535
2006	959	380	\$9,944,209

The Appalachia HIDTA provides funds to select law enforcement initiatives in Kentucky, Tennessee and West Virginia to support the participation of federal and state prosecutors in the Appalachia HIDTA. The prosecutor partners aggressively prosecute all marijuana and other illegal drug-related and money laundering investigations. The prosecutors support all of the investigative initiatives, not just the one funding their efforts. The prosecutors assist with case development, evidence evaluation, pre-trial preparation, asset identification, seizure, forfeiture, and case presentation. These prosecutors provide advice, legal counsel and legal assistance on operational matters to ensure compliance with the appropriate federal and state criminal law requirements. Prosecutors work with the Appalachia HIDTA to prosecute marijuana traffickers and cultivators, and violent felons, and to target their equipment, property, and currency assets for seizure and forfeiture. Threat Specific Table 5 shows the outputs and outcomes of Appalachia HIDTA funded prosecutors over the past three years.

## **VII. Conclusions**

The PMP is depicted through the performance measurement tables throughout this Annual Report. These graphic presentations of the Appalachia HIDTA’s targets and outcomes show that the Appalachia HIDTA is meeting and, in some instances, surpassing National HIDTA goals and fulfilling the mission of the Appalachia HIDTA.

The first goal of all HIDTAs is to disrupt the market for illegal drugs and dismantle or disrupt drug trafficking organizations (DTOs) and/or money laundering organizations. In CY2006, the performance of the Appalachia HIDTA had a dramatic effect on the market for domestic marijuana and operation of DTOs, particularly those engaged in marijuana cultivation and distribution. In CY2006, the Appalachia HIDTA disrupted and/or dismantled 96 DTOs. Over one-half of those DTOs (54) operational areas crossed state lines and a little over one-third of the DTOs disrupted/dismantled (35) were local DTOs whose operational area was primarily within the Appalachia HIDTA region. The importance of targeting local DTOs and their role in the illegal drug market cannot be ignored and forgotten among the pressure and desire to develop RPOT, CPOT, and OCDEF investigations. Ultimately, all drug trafficking is local. This statement rings truer in the rural areas and small communities of the Appalachia HIDTA. The destruction of local DTOs has an immediate impact on a community’s quality of life, emboldens citizenry, and, perhaps most importantly, denies or cuts off profits and cash flow to larger DTOs.

Cash flow and profits is to a DTO or any business, as food and water is to a living organism. Deny a DTOs access to and use of its cash assets and profits and the DTO will die. This strategy has re-emerged as the primary way to attack the illegal drug market and its DTOs. As effective as seizing assets and hard currency is in destroying DTOs, an even more effective tactic is denying DTOs the ability to make profits in the first place. The Appalachia HIDTA is a leader in denying DTOs, particularly marijuana cultivators and distributors, the ability to do business. In CY2006, the Appalachia HIDTA eradicated over \$1.115 billion in marijuana plants. This outcome of the Appalachia HIDTA’s efforts is astonishing. Put into context, \$1.115 billion,

under current budget conditions and without any inflation, would fund the Appalachia HIDTA for the next 185 years.

The eradication successes of the Appalachia HIDTA have a two-fold and devastating effect on the domestic marijuana market in the United States. First, it has thwarted local marijuana cultivators from becoming powerful and influential DTOs, capable of operating on a multi-state, national, or international scale. Secondly, as a result of thwarting local marijuana cultivators, the availability of a highly addictive and extremely dangerous strain of domestic marijuana is virtually eliminated and close to non-existent. Tests have shown that the THC content of marijuana eradicated in the Appalachia HIDTA region is comparable to that of sinsemilla, averaging 15% in recent years. If the marijuana eradicated by the Appalachia HIDTA in CY2006 had reached the street, and ultimately the youth of America, its presence would have further exacerbated the abuse of marijuana and treatment of marijuana users on a national scale.

Research and analysis of marijuana seizure information indicates that marijuana grown in the Appalachia HIDTA region is virtually not making it to the streets of America. Attempts to determine the presence of Appalachia HIDTA region marijuana in domestic marijuana seizures have produced limited and inconclusive results. This may indicate that Appalachia HIDTA eradication programs, through hard work, dedication, and team work, are more successful than traditional eradication programs. An integral part of the Appalachia HIDTA eradication program, the Kentucky Marijuana Eradication Task Force, was recognized by the National Marijuana Initiative for its contributions and efforts during CY2006. It has been estimated that, on average, only 25-45% of all outdoor domestic marijuana plants are located and eradicated by eradication operations. The lack of Appalachia HIDTA processed marijuana seizure information, in conjunction with the astonishing amount of marijuana eradicated, indicates that the Appalachia HIDTA may be eradicating a much higher percentage of all marijuana grown in the region.

Given the above and other information in this report, it can be stated that the Appalachia HIDTA is unequivocally meeting its responsibilities under National HIDTA Goal 1 and fulfilling its primary mission of measurably reducing the production and trafficking of marijuana. Drug availability is being reduced and DTOs are being disrupted, dismantled, and destroyed.

National HIDTA Goal 2 directs HIDTAs to improve the efficiency and effectiveness of their initiatives. In CY2006 the Appalachia HIDTA continued to develop and move forward, as illustrated in the tables and body of this report, in meeting this goal. In the future, when AHIDTA personnel and the ONDCP National HIDTA program look back at the history of the AHIDTA, CY2006 may arguably be seen as when the AHIDTA hit its stride and became a model HIDTA and leader within the National HIDTA Program.

In 2002, the Appalachia HIDTA was a dysfunctional organization. An NHPO Field Review team found deficiencies and perceived weaknesses in virtually every aspect of the Appalachia HIDTA. The outlook for the Appalachia HIDTA was bleak and dismantlement of the HIDTA appeared possible. Beginning in 2003, the AHIDTA Executive Board went to work restructuring the AHIDTA, correcting deficiencies and weaknesses, increasing accountability, and establishing and formalizing business practices and procedures. Immediate improvement was realized when local agency participation in the Appalachia HIDTA jumped from none to 59 local agencies.

The Appalachia HIDTA continued to improve in its efforts and realize significant successes in effectiveness and efficiency. In CY2004 Appalachia HIDTA initiatives removed or seized over \$964 million in illicit drugs and assets, posting an ROI of \$227 in the process. The

Appalachia HIDTA exceeded its performance the following year when it removed or seized over \$1 billion dollars in illicit drugs and assets, posting an ROI of almost \$214 dollars. These results were tangible proof that the Appalachia HIDTA concept and strategy were working and successful. More significantly, the Appalachia HIDTA received national recognition for its efforts as the Kentucky Marijuana Eradication Task Force received the ONDCP Director's Distinguished Service Award.

The Appalachia HIDTA did not rest on its successes but remained focused, unified, and determined in becoming a premier HIDTA in the National HIDTA program. Whether the Appalachia HIDTA made progress towards this goal is answered by the performance measures in this report. The question is further answered in the affirmative via the National Marijuana Initiative recognizing the Appalachia HIDTA Kentucky Marijuana Eradication Task Force, two of its team members, and an Appalachia HIDTA ISC analyst for their efforts and contributions to the NMI. If that were not proof enough of the quality of work and impact of the Appalachia HIDTA, the Southeast Kentucky Organized Crime and Drug Enforcement Task Force was recognized by ONDCP as the 2007 Outstanding Investigative Effort.

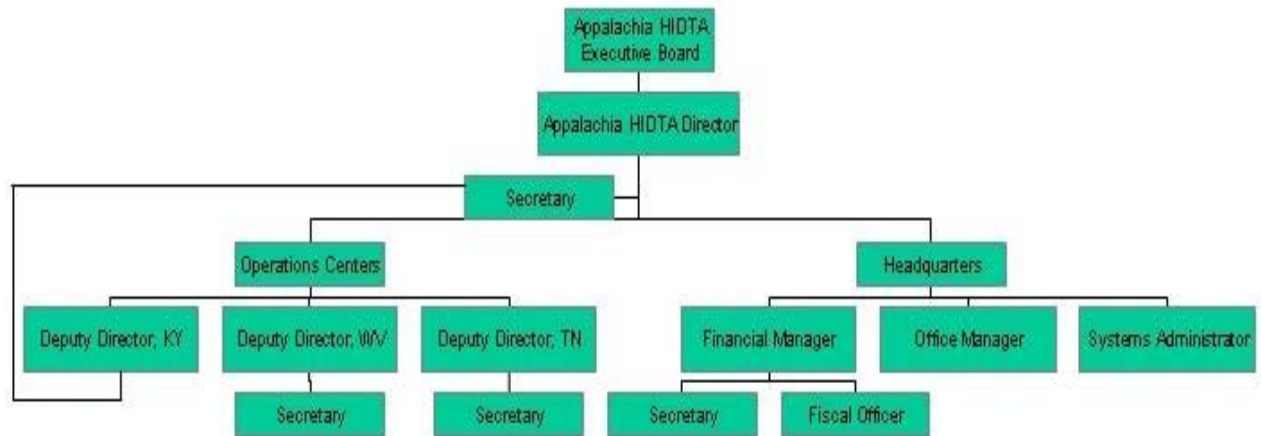
The above results and rewards are tangible proof that the Appalachia HIDTA is operating in an efficient and effective manner and has emerged as a leader in the National HIDTA Program. Intangible proof is the Appalachia HIDTA's ability to sell its vision to its members and member agencies. Fostering an atmosphere where results are more important than who gets the credit, has increased the willingness to share information, develop and cooperate in joint investigations and create lasting relationships among the Appalachia HIDTA's participating federal, state and local members and agencies. This is the true purpose of the HIDTA program and the Appalachia HIDTA used and built upon its successes to experience unheralded success in CY2006.

The drug threats in Appalachia require a multifaceted response that targets drug production, trafficking, distribution and demand. The Appalachia HIDTA is uniquely suited to provide the multifaceted approach necessary. Central to this mission is the expansion of cooperative, multi-jurisdictional law enforcement efforts involving HIDTA funded and non-HIDTA funded resources. By balancing efforts to attack drug trafficking at every layer, and coordinating non-enforcement efforts in targeted communities, the Appalachia HIDTA will not only continue in 2007 to facilitate the necessary cooperation among federal, state and local agencies into collaborative initiatives that target drug cultivation, distribution, and demand, but it will demonstrate the "lead by example" concept within the National HIDTA and law enforcement community.

## VIII. Appendices

### Appendix A - Table of Organization for the HIDTA

# Appalachia HIDTA Organization Chart



## Appendix B - Table listing composition of Executive Board showing Federal, State and Local affiliation

RUSS DEDRICK, 1<sup>ST</sup> Assistant U.S. Attorney  
Eastern District of Tennessee  
800 Market Street, Suite 211  
Knoxville, TN 37902  
PHONE: (865) 545-4167 FAX: (865) 545-4466

WILLIAM BENSON, Assistant Director (CHAIR)  
Tennessee Bureau of Investigation  
901 R.S. Gass Boulevard  
Nashville, TN 37216-2639  
PHONE: (615) 744-4252 FAX: (615) 744-4664

JACK ADAMS, Commissioner  
Kentucky State Police  
919 Versailles Road  
Frankfort, KY 40601  
PHONE: (502) 695-6303 FAX: (502) 695-6341

RICHARD BADARRACO, ASAC  
Drug Enforcement Administration  
600 Martin Luther King Jr. Place  
1006 Federal Building  
Louisville, KY 40202  
PHONE: (502) 582-5234 FAX: (502) 582-6107

CLEVE DANIELS, Special Agent in Charge  
Internal Revenue Service-Criminal Investigation  
801 Broadway, Room 400 MDP 7A  
Nashville, TN 37203  
PHONE: (615) 250-5441 FAX: (615) 250-5303

WENDY HANEY, Supervisory Special Agent  
U.S. Forest Service  
Appalachia HIDTA  
202 South Main Street, 3<sup>rd</sup> Floor  
London, KY 40741  
PHONE: (606) 864-1131 FAX: (606) 864-1166

COLONEL HOWARD HILL, CW  
West Virginia National Guard  
610 Dame Street  
St. Albans, WV 25177  
PHONE: (304) 541-9808 FAX: (304) 201-3109

COL DAVID L. LEMMON, Superintendent  
West Virginia State Police  
725 Jefferson Road  
South Charleston, WV 25309  
PHONE: (304) 746-2100 FAX: (304) 746-2246

CHUCK MILLER, U.S. Attorney  
Southern District of West Virginia  
300 Virginia Street East, 4<sup>th</sup> Floor  
Charleston, WV 25301  
PHONE: (304) 345-2200 FAX: (304) 347-5104

TRACY A. REINHOLD, Special Agent in Charge  
Federal Bureau of Investigation  
600 Martin Luther King Jr. Blvd., 5<sup>th</sup> Floor  
Louisville, KY 40202  
PHONE: (502) 569-3801 FAX: (502) 569-3869

J. MAURICE SHULTS, Chief  
Newport, TN Police Department  
PO Box 128  
330 East Main Street  
Newport, TN 37821  
PHONE: (423) 623-5556 FAX: (423) 623-7234  
[chiefshults@charterinternet.com](mailto:chiefshults@charterinternet.com)

AMUL R. THAPAR, US Attorney  
Eastern District of Kentucky  
110 West Vine Street, Suite 400  
Lexington, KY 40507  
PHONE: (859) 233-2661 Ext. 104 FAX: (859) 233-2666  
[amul.thapar@usdoj.gov](mailto:amul.thapar@usdoj.gov)

BRENT TURNER, Commonwealth Attorney  
31<sup>st</sup> Circuit of Kentucky  
140 South Lake Road  
PO Box 111  
Prestonsburg, KY 41653  
PHONE: (606) 889-1825 FAX: (606) 889-1684  
[Bturner@kyprosecutors.com](mailto:Bturner@kyprosecutors.com)

PAUL VIDO, Special Agent in Charge  
Bureau of Alcohol, Tobacco and Firearms  
600 Martin Luther King Jr. Place, Suite 322  
Louisville, KY 40202  
PHONE: (502) 753-3400 FAX: (502) 753-3401  
[Paul.vido@atf.gov](mailto:Paul.vido@atf.gov)

MAJOR ALECIA WEBB-EDGINGTON, Director  
Kentucky Office of Homeland Security  
P.O. Box 1757  
Frankfort, KY 40602  
PHONE: (502) 564-2081 FAX: (502) 564-7764

KIM WOLFE, Sheriff  
Cabell County Sheriff's Office  
P. O. Box 2114  
Huntington, WV 25721  
PHONE: (304) 526-8663 FAX: (304) 526-8649



## Appendix C - List of participating agencies

### 1. Federal and State Participating Agencies

#### KENTUCKY

- Bureau of Alcohol, Tobacco, and Firearms
- Civil Air Patrol, USAF
- Drug Enforcement Administration
- Federal Bureau of Investigation
- IRS-Criminal Investigation
- Kentucky Attorney General
- Kentucky Cabinet for Health Services
- Kentucky Commonwealth's Attorneys' Office
- Kentucky Department of Military Affairs (Kentucky Army National Guard)
- Kentucky State Police
- Kentucky Vehicle Enforcement
- Office of Inspector General
- United States Attorney's Office for the Eastern District
- United States Attorney's Office for the Western District
- USDA Forest Service
- United States Marshals Service
- Western Kentucky University Police

#### TENNESSEE

- Bureau of Alcohol, Tobacco, and Firearms
- Bureau of Immigration and Customs Enforcement
- Drug Enforcement Administration
- Federal Bureau of Investigation
- IRS-Criminal Investigation
- Tennessee Alcoholic Beverage Commission
- Tennessee Bureau of Investigation
- Tennessee Commercial Vehicle Enforcement
- Tennessee Department of Military Affairs (Tennessee Air National Guard)
- Tennessee Department of Military Affairs (Tennessee Army National Guard)
- Tennessee District Attorneys General Conference
- Tennessee Highway Patrol
- United States Attorney's Office for the Eastern District
- United States Attorney's Office for the Middle District
- USDA Forest Service

#### WEST VIRGINIA

- Bureau of Alcohol, Tobacco, and Firearms
- Drug Enforcement Administration
- Federal Bureau of Investigation
- IRS-Criminal Investigation
- United States Attorney's Office for the Northern District
- United States Attorney's Office for the Southern District
- West Virginia Department of Military Affairs (West Virginia National Guard)
- West Virginia Prosecuting Attorney's Institute
- West Virginia State Police

## **2. Local Participating Agencies**

### KENTUCKY

- Adair County Sheriff's Office
- Beattyville Police Department
- Bowling Green Police Department
- Campbellsville Police Department
- Harlan County Sheriff's Office
- Hazard Police Department
- Jackson County Sheriff's Office
- Laurel County Sheriff's Office
- Leslie County Sheriff's Office
- London Police Department
- McCreary County Sheriff's Office
- Monticello Police Department
- Operation UNITE
- Pulaski County Sheriff's Office
- Perry County Sheriff's Office
- Pikeville Police Department
- Rockcastle County Sheriff's Office
- Somerset Police Department
- Warren County Sheriff's Office
- Wayne County Sheriff's Office

### TENNESSEE

- Anderson County Sheriff's Office
- Blount County Sheriff's Office
- Celina Police Department
- Clay County Sheriff's Office
- Chattanooga Police Department
- Clinton Police Department
- East Ridge Police Department
- Elizabethton Police Department
- Fentress County Sheriff's Office
- First Judicial Drug Task Force
- Hamilton County Sheriff's Office
- Jackson County Sheriff's Office
- Johnson City Police Department
- Knox County Sheriff's Office
- Knoxville Police Department
- Lenoir City Police Department
- Livingston Police Department
- Loudon County Sheriff's Office
- Macon County Sheriff's Office
- Metro Knoxville Airport Authority
- Oak Ridge Police Department
- Putnam County Sheriff's Office
- Thirteenth Judicial Task Force
- Unicoi County Sheriff's Office
- Washington County Sheriff's Office
- White County Sheriff's Office

#### WEST VIRGINIA

- Barboursville Police Department
- Bluefield Police Department
- Boone County Sheriff's Office
- Braxton County Sheriff's Office
- Cabell County Prosecutor's Office
- Cabell County Sheriff's Office
- Charleston Police Department
- Dunbar Police Department
- Gilmer County Sheriff's Office
- Huntington Police Department
- Kanawha County Sheriff's Office
- Lewis County Sheriff's Office
- Logan County Prosecutor's Office
- Logan County Sheriff's Office
- Logan Police Department
- McDowell County Sheriff's Office
- Mercer County Prosecutor's Office
- Mercer County Sheriff's Office
- Nitro Police Department
- Princeton Police Department
- Putnam County Sheriff's Office
- South Charleston Police Department
- St. Albans Police Department
- Wyoming County Sheriff's Office

#### **Appendix D – List of Counties Participating in the Appalachia HIDTA**

- Kentucky – Adair, Bell, Breathitt, Clay, Clinton, Cumberland, Floyd, Harlan, Jackson, Knott, Knox, Laurel, Lee Leslie, McCreary, Magoffin, Marion, Monroe, Owsley, Perry, Pike, Pulaski, Rockcastle, Taylor, Warren, Wayne, and Whitley counties.
- Tennessee – Bledsoe, Campbell, Claiborne, Clay, Cocke, Cumberland, Fentress, Franklin, Grainger, Greene, Grundy, Hamblen, Hancock, Hawkins, Jackson, Jefferson, Knox, Macon, Marion, Overton, Pickett, Putnam, Rhea, Scott, Sequatchie, Sevier, Unicoi, Van Buren, and White counties.
- West Virginia – Boone, Braxton, Cabell, Gilmer, Kanawha, Lewis, Lincoln, Logan, Mason, McDowell, Mingo, and Wayne counties.

## Appendix E - HIDTA Initiatives

### KENTUCKY

Bowling Green-Warren County Drug Task Force  
Columbia Investigative Initiative  
DEA London Task Force  
Hazard Investigative Initiative  
Kentucky Eradication Task Force  
Lake Cumberland Area Drug Task Force  
National Forest Marijuana Investigative Initiative  
Southeastern Kentucky OCDETF/Public Corruption Task Force

### TENNESSEE

DEA Upper East Tennessee Task Force  
DEA South TN Task Force  
Rocky Top Task Force-DEA  
Rocky Top Task Force-FBI  
TBI Middle TN Task Force

### WEST VIRGINIA

Huntington Violent Crimes/Drug Task Force  
Southern Regional Drug and Violent Crime Task Force  
US 119 Drug and Violent Crime Task Force  
West Virginia DEA HIDTA Task Force  
West Virginia Metropolitan Drug Enforcement Network Team  
West Virginia Eradication Task Force

### OTHER

Appalachia HIDTA Investigation Support Center  
Appalachia HIDTA Regional Training  
Management and Coordination

## IX. List of Tables and Charts

Table 1 - Percentage of Expected DTOs Disrupted or Dismantled by Scope 2006.....	12
Table 2 - Percentage of DTOs Disrupted or Dismantled by Scope, 2006 .....	12
Table 3 - Percentage of Expected MLOs Disrupted or Dismantled by Scope, 2006 .....	15
Table 3a - Percentage of Expected MLOs Disrupted or Dismantled by Scope, 2006 .....	15
Table 4 - CPOT, RPOT and OCDETF Cases Initiated by Scope, 2006 .....	16
Table 4a - Active CPOT, RPOT and OCDETF Cases by Scope, 2006 .....	16
Table 5 - Drugs Removed from the Marketplace, 2006.....	17
Table 6 - Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives, 2006.....	18
Table 7 - Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives 2006.....	18
Table 8 - Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives 2006 .....	19
Table 9 - Value of Clandestine Methamphetamine Labs Dismantled by Size in 2006.....	20
Table 10 - Clandestine Laboratory Activities, 2006.....	20
Table 11 - HIDTA Training Efficiency by Year and Type of Training, 2006.....	21
Table 12 - Percentage of Event and Case Deconflictions Submitted, 2006.....	22
Table 13 - Percentage of Investigations Provided Analytical Support, 2005 .....	23
Table 14 - Percentage of HIDTA Initiative Investigations Referred to Other HIDTAs and Other Agencies, 2005.....	23

## X. Reference Documents and Endnotes

Appalachia HIDTA Threat Assessment for Budget Year 2006  
Appalachia HIDTA Strategy for Budget Year 2006  
Appalachia HIDTA Annual Report for 2005  
Appalachia HIDTA Initiative Quarterly and Year End Statistical Reports

---

<sup>1</sup> Press Release, “Teen Drug Use Continues Down in 2006, Particularly Among Older Teens; But Use of Prescription-Type Drugs Remains High,” December 21, 2006, University of Michigan News Service, Ann Arbor, Michigan. Results of 32<sup>nd</sup> Annual Monitoring the Future Survey. [www.monitoringthefuture.org](http://www.monitoringthefuture.org)

<sup>2</sup> Press Release, “Illicit Drug Use Starts With Cannabis,” March 14, 2006, Christchurch School of Medicine and Health Sciences, University of Otago. At [http://www.chmeds.ac.nz/newsevents/illicit\\_drugs.htm](http://www.chmeds.ac.nz/newsevents/illicit_drugs.htm).

<sup>3</sup> Letter from Hon. Mark E. Souder, Chairman, House Subcommittee on Criminal Justice, Drug Policy and Human Resources, Government Reform Committee to the House committee on Government Reform (March 14, 2006).

<sup>4</sup> Ibid.

<sup>5</sup> L. Messinis, A. Kyprianidou, S. Malefaki, and P. Papathanasopoulos, *Neuropsychological Deficits in Long-Term, Frequent Cannabis Users*, *Neurology* Vol. 66: 737-739. (March 2006)

<sup>6</sup> Cesar Fax Vol. 16, Issue 2, Center for Substance Abuse Research, University of Maryland, College Park, January 15, 2007.

<sup>7</sup> News Article, “Online Pharmacy Laws may get Update,” *Lexington Herald-Leader*, December 17, 2006.

<sup>8</sup> News Article, “Methadone deaths galvanize Legislature; West Virginia’s worst-in-nation overdose rate gets lawmakers’ attention,” *The Charleston Gazette*, January 22, 2007.

<sup>9</sup> News Article, “Methamphetamine Remains Number One Drug Problem for Nation’s Counties,” CADCA Coalitions Online Newsletter, July 20, 2006.

<sup>10</sup> This document was prepared in CY 2005 using prior year (2004) data for the 2006 budget submission.

<sup>11</sup> Public Affairs Guidance paper: Methamphetamine, U.S. Department of Justice, Drug Enforcement Administration, Congressional and Public Affairs, November 29, 2005.

<sup>12</sup> HIDTA Automated DTO Report

<sup>13</sup> This document was prepared in CY 2005 using prior year (2004) data for the 2006 budget submission.