



Washington/Baltimore

High Intensity Drug Trafficking Area

Drug Market Analysis 2009



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





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



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Table of Contents

Preface..... 1

Strategic Drug Threat Developments..... 2

HIDTA Overview 2

Drug Threat Overview 3

Drug Trafficking Organizations 4

Production..... 6

Transportation..... 6

Distribution 10

Abuse 11

Drug-Related Crime..... 13

Illicit Finance 14

Outlook 15

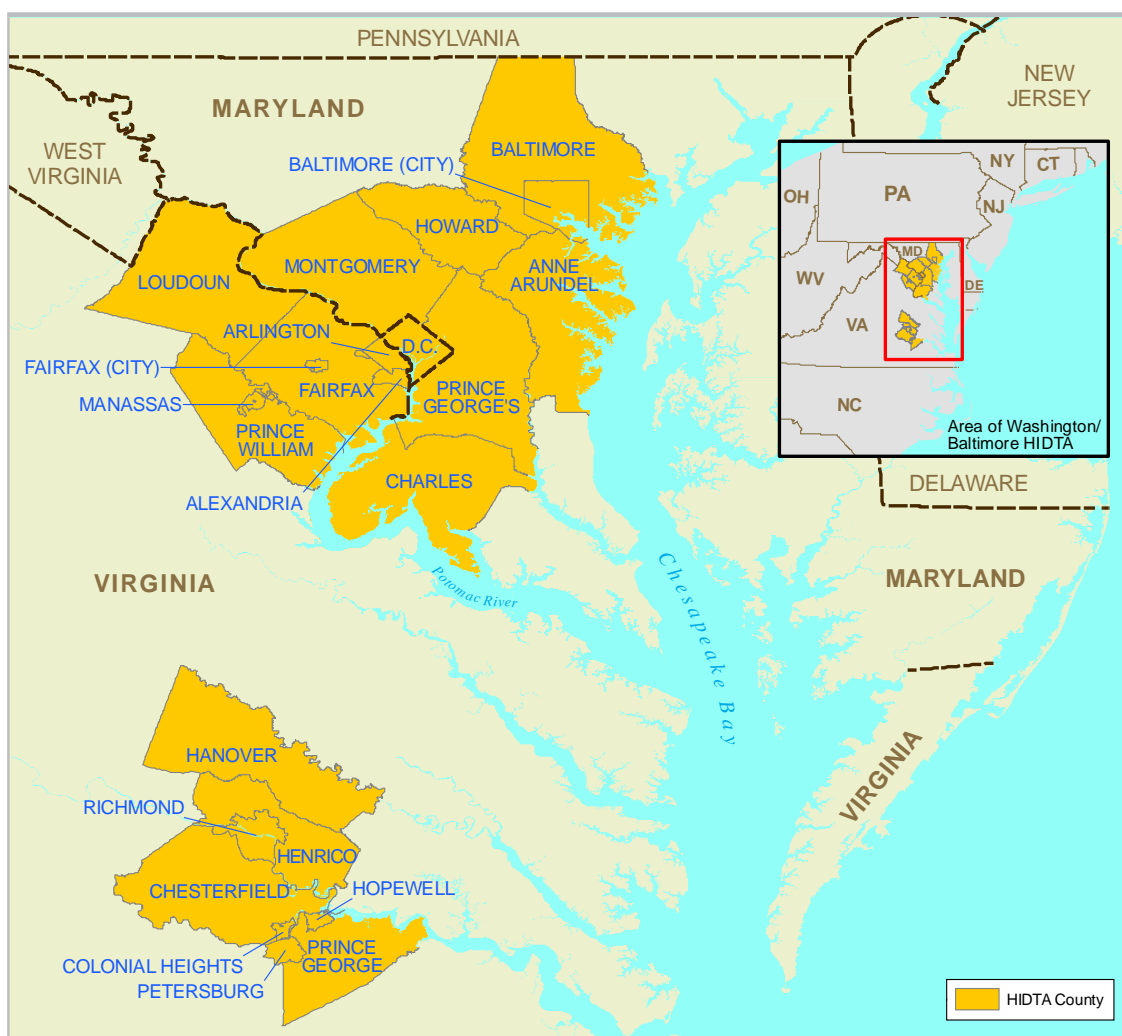
Sources 16

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Preface

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

Figure 1. Washington/Baltimore High Intensity Drug Trafficking Area



Strategic Drug Threat Developments

- Dominican drug trafficking organizations (DTOs) that typically have been supplied by Colombian DTOs are increasingly distributing wholesale quantities of cocaine and heroin in the region because they have developed new sources of supply in the Caribbean (Puerto Rican and other Dominican criminal groups) and in Mexico.
- Mexican DTOs operating out of the southwestern United States are increasingly involved in cocaine trafficking in Virginia, especially in the Shenandoah Valley and the southern part of the state adjacent to the HIDTA region. Mexican DTOs that have established transshipment centers in Georgia and North Carolina are supplying cocaine, heroin, marijuana, and methamphetamine to the region.
- Central American DTOs and criminal groups from Guatemala and El Salvador are increasingly involved in cocaine trafficking in the HIDTA region.
- Law enforcement reporting indicates that wholesale cocaine availability was low in 2008 in most of the W/B HIDTA region.
- Law enforcement officials in the W/B HIDTA region report that the demand for high-potency marijuana is increasing. The number of indoor grow sites producing high-potency marijuana is increasing, especially in the Baltimore, Maryland, and Richmond, Virginia, areas.
- Controlled prescription drugs (CPDs), particularly controlled prescription narcotics, are increasingly being abused in the W/B HIDTA region by young, affluent suburbanites who acquire the drugs from friends and family and through doctor-shopping. Prescription narcotics also provide an alternative to heroin for

abusers who view heroin use as too risky, too costly, or otherwise unattainable.

- Methadone-related deaths have increased substantially in the region, especially in Maryland and Virginia, primarily because of misuse or abuse by individuals who use methadone in combination with other CPDs, illicit drugs, or alcohol.
- The distribution of MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) is increasing, particularly in Washington, D.C., where African American retail-level drug dealers are now distributing the drug at open-air drug markets.

HIDTA Overview

The W/B HIDTA region encompasses four distinct population centers—the Baltimore metropolitan area, the District of Columbia, northern Virginia, and the Richmond metropolitan area. The region encompasses the following city and county jurisdictions: Maryland (the city of Baltimore as well as Anne Arundel, Baltimore, Charles, Howard, Montgomery, and Prince George’s Counties); northern Virginia (the cities of Alexandria, Fairfax, and Manassas along with Arlington, Fairfax, Loudoun, and Prince William Counties); the Richmond metropolitan area (the cities of Colonial Heights, Hopewell, Petersburg, and Richmond as well as Chesterfield, Hanover, Henrico, and Prince George Counties); and Washington, D.C.

Economic, demographic, and transportation factors make the W/B HIDTA region a fertile environment for drug trafficking and abuse. Some areas, such as inner-city Baltimore, Richmond, and Washington, D.C., are economically depressed, leading some residents to view drug trafficking as the only means of financial gain and drug abuse as a form of escape. Revitalization efforts in Washington, D.C., have included the

demolition of several public housing projects and have resulted in the dispersion of drug- and gang-related problems to suburban areas, particularly in Maryland. The W/B HIDTA region has a large and increasing population; the combined Baltimore/Washington metropolitan area is the fourth-largest in the nation, with a current population of more than 8 million. The region is ethnically and racially diverse, including a growing Hispanic population, which has enabled Colombian, Dominican, Mexican and, increasingly, Guatemalan and Salvadoran criminal groups and gangs with ties to drug source and transit countries to operate more easily. Drug trafficking in the region is facilitated by an extensive transportation infrastructure that includes highways (Interstate 95 in particular), railway and bus systems, two international seaports, and four international airports with passenger and cargo services.

Drug Threat Overview

The distribution and abuse of crack cocaine and heroin pose the greatest drug threats to the W/B HIDTA region. In most areas of the region, crack cocaine poses the greatest drug threat; however, in the city of Baltimore, the abuse of heroin (primarily South American (SA) heroin) is the principal drug threat. For example, the Baltimore Medical Examiner's Office reports that in 2008, heroin was the substance most commonly found in intoxication deaths in the city. High levels of violent and property crime associated with crack cocaine and heroin trafficking severely tax law enforcement resources in the HIDTA region. The social and health consequences of cocaine and heroin abuse also strain social services and public health resources in the HIDTA region. Furthermore, the abuse of heroin, particularly by injection, leads to multiple health risks, including the transmission of infectious diseases such as HIV (human immunodeficiency virus) and hepatitis.

Relatively Low Cocaine Availability in the Region in 2008

Cocaine availability in the W/B HIDTA region was relatively low throughout 2008, especially at the wholesale level, compared with availability in previous years, as evidenced by higher wholesale prices. The price for a kilogram of cocaine in Baltimore increased from \$22,000 in 2006 to as high as \$32,000 in 2008. A kilogram of cocaine in Washington, D.C., sold for as high as \$30,000 in 2008, a significant increase from 2006, when the price was as low as \$19,000. A kilogram of cocaine in Richmond sold for \$26,000 in 2008, an increase from the 2006 price of \$22,000. The Drug Enforcement Administration (DEA) Washington Division reports that law enforcement efforts in Baltimore disrupted the cocaine supply in the region, making it difficult for lower-level dealers to obtain the drug. In an effort to establish new sources of supply, dealers are reaching out to cocaine suppliers from other areas, such as Pennsylvania and Michigan.

Other illicit drugs are also trafficked and abused to varying degrees throughout the HIDTA region. (See [Table 1 on page 4.](#)) Marijuana is the most widely available and abused drug in the region. Mexico continues to be the primary source area for commercial-grade marijuana transported to the area; Canada is a source of high-potency marijuana. Mexican traffickers residing either locally or in southwestern states are responsible for much of the transportation of marijuana to, and distribution within, the HIDTA region, while Jamaican groups obtain marijuana from Florida and the Caribbean. High profits and the perception of low risk associated with marijuana distribution are fueling an expansion of marijuana trafficking operations in the region. Methamphetamine is readily available in rural areas adjacent to the region, including southwestern Virginia and the

Table 1. Washington/Baltimore HIDTA Initiative Seizures, by Drug, 2008

HIDTA Area	Powder Cocaine (kg)	Crack Cocaine (kg)	Methamphetamine (kg)	Marijuana (kg)	Heroin (kg)	MDMA (dosage units)	OxyContin (dosage units)	PCP (kg)
Baltimore	257.3	4.1	0.2	2,706.1	54.4	210,990	401	0
Northern Virginia	58.4	9.8	1.8	152.9	23.0	1,690	1,297	0
Richmond	18.6	2.7	0.1	60.7	0.3	2	0	0
Washington, D.C.	97.6	14.6	4.2	1,647.7	8.8	3,818	625	32
Total*	431.9	31.3	6.4	4,567.3	86.6	216,500	2,323	32

Source: Washington/Baltimore High Intensity Drug Trafficking Area, February 23, 2009.

*Figures may not sum to totals shown because of rounding.

Shenandoah Valley, and abuse of the drug is spreading to suburban areas in the HIDTA region. Ice methamphetamine is readily available in the Washington, D.C., homosexual community and is available in limited quantities in northern Virginia and in Maryland suburbs.

Other dangerous drugs (ODDs) such as MDMA and PCP (phencyclidine) as well as CPDs, particularly controlled prescription narcotics such as oxycodone and methadone, are increasingly available and are abused by young, affluent suburbanites in the W/B HIDTA region. Reporting from treatment providers indicates that controlled prescription narcotics provide an alternative to heroin for abusers who view heroin use as too risky or costly. MDMA is readily available throughout the HIDTA region, where abusers often combine the drug with other substances, such as alcohol, marijuana, cocaine, heroin, or OxyContin (oxycodone), to heighten their experience. PCP abuse, rare in most areas of the country, is common in Washington, D.C., especially in the eastern half of the city. In fact, the Washington, D.C., Metropolitan Police Department (MPD) Narcotics Unit reports increased PCP sales and abuse in the Clay Terrace public housing complex in the northeastern part of the city. PCP is often sold as “dippers,” which are cigarettes dipped in liquid PCP.

Drug Trafficking Organizations

Colombian and Dominican DTOs are the primary wholesale distributors of cocaine and SA heroin in the W/B HIDTA region. Most Colombian DTOs operating in the region are cells of larger Colombian organizations based in New York, New York. The larger Colombian DTOs in New York City typically supply the Colombian cocaine distributors operating in the W/B HIDTA area. The New York-based and locally based Colombian DTOs supply wholesale quantities of cocaine and heroin to midlevel distribution groups, primarily Dominican DTOs, which control much of the midlevel cocaine and heroin distribution in the HIDTA region. Some Dominican DTOs operating in the W/B HIDTA area are supplied by New York City-based Dominican DTOs, and some obtain cocaine directly from Mexican sources at the Southwest Border in order to lower purchase costs and increase profit margins. Dominican DTOs have also begun to obtain cocaine from sources in the Caribbean, including criminal groups operating in Puerto Rico and the Dominican Republic. Dominican DTOs supply African American, Caucasian, Jamaican, and Puerto Rican midlevel and retail-level distribution groups throughout the area.

Mexican DTOs are increasingly becoming involved in cocaine and SA heroin transportation and lower-level distribution in the W/B HIDTA region. Mexican DTOs and criminal groups based in the southern or western United States transport and distribute most of the marijuana available in the region. They also transport significant quantities of cocaine and heroin for Colombian and Dominican DTOs, and limited quantities of methamphetamine, including high-purity ice methamphetamine, to the HIDTA region. An increasing number of Mexican traffickers are transporting large quantities of methamphetamine into Virginia—particularly the Shenandoah Valley, adjacent to the HIDTA region. Mexican DTOs transport these drugs from Mexico, Southwest Border states and, increasingly, Atlanta, Georgia. They supply most of the drugs that they transport to the area to midlevel and retail-level distribution groups of various races and ethnicities, including African American, Asian, Dominican, Jamaican, and Puerto Rican DTOs and street gangs. They also supply illicit drugs to imprisoned gang members and outlaw motorcycle gangs (OMGs).

Other DTOs and criminal groups also distribute illicit drugs at the wholesale level in the HIDTA region. Jamaican criminal groups supply commercial-grade marijuana from Florida and the Caribbean, while Vietnamese criminal groups are the principal suppliers of high-potency marijuana (both Canada-produced and locally produced) and MDMA from Canada. Middle Eastern, Pakistani, and West African DTOs distribute Southwest Asian (SWA) heroin, primarily in Baltimore. Law enforcement reports indicate that Central American DTOs and criminal groups, including Guatemalans and Salvadorans, are increasing their involvement in cocaine and heroin trafficking in the HIDTA region.

Neighborhood-based street gangs, or local “crews,” are the principal retail illicit drug distributors in the W/B HIDTA region, particularly for crack cocaine and heroin. Law enforcement

Drug Trafficking Organizations, Criminal Groups, and Gangs

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

Criminal groups operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail level and midlevel.

Gangs are defined by the National Alliance of Gang Investigators' Associations as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

sources in Washington, D.C., report that African American street-level dealers are now distributing MDMA in addition to powder and crack cocaine, heroin, marijuana, and PCP at open-air drug markets. Gang activity remains a principal public safety concern in some areas of the region, primarily because of drug-related gang violence.

National-level street gangs also conduct drug distribution operations in the HIDTA region. Hispanic gangs, including 18th Street and Latin Kings, are particularly problematic in northern Virginia and the Maryland suburbs surrounding Washington, D.C. African American Bloods and Crips sets also distribute drugs and engage in other criminal activities in the region. Baltimore County Police Department gang investigators reported in 2008 that Bloods street gang members had made several attempts to infiltrate the public safety sector by applying for positions within the Department of Corrections. Bloods sets, such as Tree Top Piru and 9-Tre Gangsters, are active in Salisbury, Maryland. Black Dragons, an Asian

street gang based in Monterey, California, distributes MDMA and marijuana in Virginia and Washington, D.C.

Production

Illicit drug production in the W/B HIDTA region is limited to the conversion of powder cocaine to crack and occasional marijuana and methamphetamine production.

Most of the powder cocaine purchased by retail distributors is converted to crack prior to distribution within the region. Retail-level crack distributors typically purchase kilogram quantities or lesser amounts of powder cocaine from midlevel suppliers within the W/B HIDTA region, primarily in urban areas such as Baltimore, Richmond, and Washington, D.C. They then take the powder cocaine to their home areas and convert it to crack, typically in residential settings.

Limited amounts of marijuana are produced in the W/B HIDTA region from cannabis cultivated at both indoor and outdoor grow sites. However, the amount of marijuana produced at indoor grow sites, especially in the Baltimore and Richmond areas, may be increasing as demand for high-potency marijuana rises in these areas. Various marijuana producers in the region, particularly Vietnamese criminal groups, are increasingly replicating methods used at indoor grow sites in Canada, such as using elaborate hydroponic equipment, bypassing electrical meters, and using entire buildings for grow operations. Additionally, many rural areas within the region are conducive to outdoor cannabis plots because of the temperate climate and the large areas of remote terrain, such as deep valleys, steep and rocky hillsides, and vast wooded areas.

Powder methamphetamine production in the HIDTA region is limited—no methamphetamine laboratories have been seized in the HIDTA area since 2006. Most of the methamphetamine

production in the area takes place outside the HIDTA region in southwestern Virginia. According to National Seizure System (NSS) data, the number of clandestine methamphetamine laboratories and dumpsites seized in Maryland, Virginia, and Washington, D.C., decreased from 79 in 2004 to 20 in 2008. (See Table 2.) Most local laboratory capacities range from multigram to multi-ounce production. Methamphetamine laboratories are found in rural areas, in warehouses or storage facilities, or on remote land; often the laboratories are nonoperational at the time of seizure. Declining methamphetamine production is most likely the result of increased law enforcement pressure and Virginia legislation restricting the sale of pseudoephedrine.

Table 2. Methamphetamine Laboratory Incidents* in the District of Columbia, Maryland, and Virginia, 2004–2008

Year	DC	MD	VA	Total
2008	0	1	19	20
2007	0	0	22	22
2006	0	3	21	24
2005	0	3	51	54
2004	1	1	77	79

Source: National Seizure System, data as of December 31, 2008.

*Methamphetamine laboratory incidents include seizures of laboratories, dumpsites, chemicals, glassware, and equipment.

Transportation

The W/B HIDTA region's extensive and diverse transportation infrastructure is routinely exploited by traffickers to transport large quantities of drugs to, through, and within the region. The interstate highway system and extensive railway system provide easy transit between drug markets in the region and domestic source areas. Interstate 95, the major north-south transportation corridor on the East Coast, provides drug traffickers with ready access to wholesale drug markets, such as Miami and New York City.

Additionally, U.S. Highway 1 in northern Virginia and Interstates 70 and 83 in Maryland are significant drug transportation routes. Interstates 64 and 85, which provide access to highways transiting the Richmond area, enable traffickers to transport large quantities of drugs from the southwestern and southeastern United States to the HIDTA region. Drug traffickers also ship drugs directly to the region through four international airports and two international seaports, including the Port of Baltimore, one of the busiest container and cruise ports in the United States. (See Figure 2.)

DTOs use a variety of methods to transport drugs into and through the W/B HIDTA region, the most common of which are private, rental,

and commercial vehicles and package delivery services. Traffickers also use couriers on commercial aircraft, air freight services, and sea cargo shipments to transport drugs to the region. The most innovative DTOs use multiple transportation methods to avoid detection and increase the likelihood of successful delivery. Law enforcement reporting indicates that traffickers increasingly transport drugs into the W/B HIDTA region in vehicles with hidden compartments or concealed among or commingled with legitimate shipments of airfreight.

Drug transporters in the region are increasingly using alternative highway routes and navigation technology to reduce the risk of interdiction and to increase their rates of success

Figure 2. Washington/Baltimore HIDTA Region Transportation Infrastructure



in delivering illicit drug shipments. According to law enforcement reporting, DTOs are using indirect routes such as state routes and secondary roads to transport drugs to the area to avoid law enforcement interdiction efforts on interstate highways. Moreover, traffickers are using low-cost global positioning system (GPS) technology to navigate alternative and unfamiliar routes.

Drug transporters routinely conceal shipments of cocaine, heroin, marijuana, methamphetamine, and CPDs in oil pans, manifolds, brake drums, drive shafts, radiators, and gas tanks in private and commercial vehicles. Additionally, many traffickers use false compartments, including some that are operated electronically. They have also concealed drug shipments in many other items, such as furniture, stuffed animals, blankets, women's undergarments, and baby diapers or by commingling them with shipments of legitimate goods in commercial vehicles.

Largest-Ever Heroin Seizure by Maryland State Police on Interstate 95

In February 2008, Maryland State Police troopers seized 32 pounds of heroin with an estimated value of \$4.4 million. The heroin was seized during a traffic stop on northbound I-95 in Cecil County from a vehicle owned by a Florida resident. The trooper, who stopped the vehicle for a speeding offense, became suspicious of possible drug transportation after observing that the driver seemed nervous and was avoiding eye contact; he then requested a drug-detection canine. The dog alerted to the presence of drugs, and in a subsequent search of the vehicle, troopers located a hidden compartment, built into the engine's firewall, that contained the drug.

Source: Maryland State Police.

Package delivery services are increasingly being used by drug traffickers in the W/B HIDTA region, particularly to transport marijuana, which is typically sent in multipound parcels from the Southwest Border area. Many drug traffickers prefer to use package delivery services because they can monitor the progress of shipments on the Internet. If a shipment is delayed, they assume that law enforcement has intercepted the parcel and refuse delivery to avoid arrest. Drug traffickers routinely use relatively unsophisticated techniques to conceal drugs shipped in parcels, such as hiding them in ceramic statues, candles, bubble bath containers, coffee cans, drink bottles, blenders, cooking pots, VCRs, or computer hard drives.

Heroin is generally transported to the W/B HIDTA region by Colombian and Dominican DTOs from New York City; Philadelphia, Pennsylvania; Los Angeles, California; Florida; and the Caribbean Islands. Mexican and Guatemalan DTOs also supply heroin to retail distributors in the area. West African criminal groups are increasingly distributing large quantities of heroin—obtained from sources in New York City or directly from Afghanistan—to drug dealers in Baltimore. SWA heroin is often shipped from India or Pakistan by international mail to Baltimore, where it is distributed in the city and smaller communities in the surrounding area.

Wholesale quantities of cocaine are transported to the W/B HIDTA region and supplied to local traffickers primarily by Colombian or Dominican DTOs based in New York City. However, Mexican DTOs from the southwestern United States are increasingly involved in cocaine trafficking, especially in southern Virginia and the Shenandoah Valley, adjacent to the HIDTA region. Mexican DTOs that have established transshipment centers in Georgia and North Carolina are supplying cocaine as well as methamphetamine to the region through these centers. Other traffickers also transport cocaine

Large Quantities of Heroin and Cocaine Smuggled From Overseas

In March 2008 a federal grand jury indicted 11 defendants for conspiracy to import and sell 5 kilograms or more of cocaine and 1 kilogram or more of heroin during a 7-year period that ended in February 2008. According to the three-count indictment, the defendants had conspired to import large quantities of cocaine and heroin into the United States from Spain, Panama, Barbados, St. Thomas, and Dominica, intending for the drugs to be sold in Maryland, New York, and elsewhere. The defendants had recruited U.S. citizens as “mules” to travel to and from the United States. The mules were fitted with girdles and loose-fitting clothing to conceal drugs and drug proceeds that were strapped and taped to their bodies. The defendants paid the mules thousands of dollars to transport the drugs and money and gave them instructions on what to say and do should they be confronted or arrested by law enforcement. Members of the conspiracy had allegedly been distributing heroin and cocaine to customers in Baltimore and New York.

Source: U.S. Attorney for the District of Maryland.

to the region, including Guatemalan traffickers who transport cocaine into Baltimore and Jamaican traffickers who transport cocaine into Richmond. In addition, an African American criminal group transported multikilogram quantities of cocaine from the Chicago, Illinois, area to sell in Prince William County, Virginia.

Most commercial-grade marijuana available in the region is transported by Mexican DTOs from Mexico through southwestern states such as California, Arizona, and Texas. Vietnamese criminal groups are the principal transporters of high-potency marijuana, smuggling the drug from Canada into the W/B HIDTA region. Additionally,

Jamaican criminal groups transport some marijuana from Florida and the Caribbean into the region. Many local marijuana distributors have developed sources of supply in southwestern states; they either travel to those states to pick up multipound quantities of marijuana or have it shipped to them, primarily by overnight mail services.

Most of the methamphetamine available in the W/B HIDTA region is transported to the area by Mexican DTOs from Georgia, North Carolina, and Texas; however, some rural locations within the area also are occasionally supplied by OMGs that receive methamphetamine from other OMGs outside the region. Vietnamese DTOs also transport gram to ounce quantities of methamphetamine into the region from Canada, occasionally in tablet form. Additionally, methamphetamine abusers who are members of the region’s homosexual community transport some ice methamphetamine to urban areas, primarily the District of Columbia, from New York City or California.

ODDs, such as MDMA and PCP, are often transported to the W/B HIDTA region for subsequent distribution. MDMA available in the region is transported primarily by Vietnamese traffickers to Washington, D.C., and Baltimore from Toronto, Canada; New York City; or Philadelphia. PCP is transported to the W/B HIDTA region, primarily the Washington, D.C., area, from California by African American distributors and abusers traveling aboard commercial aircraft. PCP is typically concealed in plastic bottles and placed in checked baggage. New York City-based traffickers often serve as brokers between the PCP distributors in the region and California sources. Additionally, some members of OMGs and abusers who frequent the club scene in the region transport PCP to the area from New York City; Newark, New Jersey; and Philadelphia for limited local distribution.

Distribution

Colombian and Dominican DTOs based in New York City are the principal wholesale distributors of cocaine and SA heroin in the W/B HIDTA region. However, Mexican organizations based in the southern and western United States are increasingly involved in wholesale drug distribution, especially in southern Virginia and the Shenandoah Valley, adjacent to the HIDTA region. West African DTOs with sources of supply in Asia distribute wholesale amounts of heroin in the W/B HIDTA region, making it one of the few areas of the country where Southeast Asian (SEA) and SWA heroin are available. Mexican DTOs and criminal groups are the primary wholesale distributors of commercial-grade marijuana in the W/B HIDTA region, while Vietnamese criminal groups with ties to Asian DTOs in Canada have emerged as the principal distributors of high-potency marijuana.

Retail drug distribution in the W/B HIDTA region often takes place in open-air drug markets situated along commuting corridors and within public housing projects in Baltimore and Washington, D.C. These markets provide abusers within and outside the region with ready access to crack cocaine, heroin, and other illicit drugs. Most open-air drug markets are located in inner-city areas and are operated by neighborhood-based African American and Hispanic gangs or crews that periodically provide customers with free samples, or “testers,” of heroin and cocaine to encourage future sales. Heroin packaging in the region varies by location; in the Baltimore metropolitan area, heroin is packaged almost exclusively in gelatin capsules and marketed by brand name, while in Washington, D.C., it is sold under various brand names but packaged primarily in small, colored, or otherwise marked plastic bags. In areas where open-air drug markets are not present, crack cocaine sales take place in low-income areas or housing projects. Some African American drug dealers who sell crack and marijuana along a main thoroughfare in

Washington, D.C., for drive-through customers are now also selling MDMA. Law enforcement officials have identified some bars in the region that are operated or frequented by OMG members and used as distribution sites for methamphetamine, crack cocaine, and marijuana.

PCP available in the W/B HIDTA region is distributed primarily by local abusers of the drug. Long-established dealers in Washington, D.C., are supplied by wholesale distributors in southern California or by midlevel distributors in Prince George’s County, Maryland, who are supplied by wholesale distributors in California. Sometimes couriers travel to California to acquire PCP and then transport the drug back to the HIDTA region in private vehicles or on commercial flights; in other instances the drug is transported by mail or, recently, by cross-country trucking services. For example, in June 2008, 10 gallons of PCP were seized from a tractor-trailer that had been used to transport the drug from Los Angeles to Prince George’s County. Street-level and midlevel PCP dealers in Washington, D.C., are typically African American males; some began distributing PCP within the past few years, and others have been distributing the drug for decades. OMG members and individuals affiliated with the club scene also supply PCP to users in the HIDTA region.

CPDs are widely available and abused in the W/B HIDTA region and are obtained primarily through prescription forgeries and doctor-shopping. Other methods of diversion include pharmacy thefts, diversion by doctors and pharmacists, and purchases through Internet pharmacies. The illegal distribution of CPDs through Internet pharmacies is a growing problem in the region. Law enforcement reporting indicates that some distributors are transporting CPDs into the area from North Carolina, South Carolina, and Tennessee.

Drug traffickers operating in the W/B HIDTA region use a wide range of communication technologies to facilitate their drug trafficking operations.

Traffickers routinely use cell phones, text messaging, and the Internet; some also use satellite phones, radio communications, video surveillance devices, GPS units, Voice over Internet Protocol, and peer-to-peer services. Traffickers often change communication methods and use multiple cell phones to reduce the likelihood of call monitoring by law enforcement. Law enforcement officials throughout the region report the increased use of prepaid cell phones by drug traffickers. These phones can be purchased for cash with relative anonymity at supermarkets, department stores, and convenience stores as well as through online retailers. Because of the low cost and anonymity associated with prepaid cell phones, traffickers routinely dispose of them, creating difficulties for investigators, who must continually obtain the traffickers' new phone numbers. Moreover, the rapid expansion of secure communications technology used by traffickers is a challenge to law enforcement because of the difficulty in obtaining court-approved telephone intercepts.

Abuse

Heroin is widely available and abused in urban areas throughout the W/B HIDTA region. Heroin is the primary drug of abuse in Baltimore and can be purchased at numerous open-air drug markets in West and East Baltimore in either "raw" (high purity) or cut form. In Washington, D.C., the heroin trade is well entrenched; some local markets cater to suburban abusers, while others are frequented by established sellers and long-term addicts. Richmond also has a small heroin market that primarily supplies long-term addicts.

In 2008, SA heroin was the principal heroin type abused and available at street-level heroin markets in Richmond and Washington, D.C. SWA heroin was also available and abused in Washington, D.C. SWA and SA heroin were the types most abused in Baltimore; their availability levels were nearly equal, according to DEA Heroin Domestic Monitor Program (HDMP) data.

Ten Charged in Fairfax County, Virginia, High School Heroin Ring

In November 2008 the U.S. Attorney for the Eastern District of Virginia announced that 10 teenagers and young adults had been arrested on various charges for their part in establishing a heroin distribution group operating primarily in Fairfax County. According to court documents, in the summer of 2007 a group of heroin dealers and abusers obtained heroin in Washington, D.C., and Baltimore to distribute and abuse in Centreville, Virginia; they also sold the heroin to students at Westfield High School and Virginia Commonwealth University. The group was responsible for supplying heroin that resulted in multiple overdoses and at least three deaths since December 2007. Two defendants were charged with distribution of heroin that caused injury or death to one abuser who overdosed and was hospitalized in August 2007. Another defendant was charged with distribution of heroin that caused the death of that same individual in March 2008. If convicted, these three defendants could receive mandatory 20-year sentences with the possibility of life in prison. The remaining seven defendants could receive mandatory 5-year sentences and a maximum of 40 years in prison for conspiracy to distribute 100 or more grams of heroin.

Source: U.S. Attorney for the Eastern District of Virginia.

Crack cocaine is abused primarily by African American individuals in inner-city areas of the W/B HIDTA region. Powder cocaine is abused primarily by middle- and upper-middle-income individuals in metropolitan and suburban areas of the region. Nightclubs and bars in the affluent Georgetown area and in newly renovated areas of Washington, D.C., are reportedly frequented by white-collar cocaine users. Powder cocaine is also one of the many drugs available and abused in the nightclub scene by suburban teens and young adults.

Marijuana is abused by a wide range of users in the W/B HIDTA region. Blunts and joints remain the most popular methods of smoking marijuana in the region, especially among younger abusers. Marijuana, particularly when used in these forms, is often combined with small rocks of crack cocaine or PCP.

Methamphetamine abuse, traditionally limited to the homosexual community in the Washington, D.C., area, is extending to young rural and suburban users as availability of the drug increases. Ice methamphetamine availability and abuse are increasing in a number of areas near the region, particularly in the Shenandoah Valley, where abusers are predominantly Caucasians ranging from 15 to 65 years of age. Law enforcement agencies attribute rising availability and abuse to increasing distribution of ice methamphetamine by Mexican traffickers. Henrico County, Virginia, law enforcement officials also report an increase in the availability of ice methamphetamine, which is known as *hielo* (Spanish for “ice”) in the Hispanic community. Young abusers tend to use methamphetamine—one of the many drugs available at nightclubs in the region.

MDMA available in the W/B HIDTA region is generally abused in combination with other substances, including alcohol, marijuana, cocaine, and club drugs. In some communities, law enforcement and medical authorities are now reporting the abuse of MDMA with heroin or OxyContin. MDMA is widely available in areas around colleges and universities and is used primarily by youth in more affluent communities at clubs and parties. The availability of MDMA at open-air drug markets in Washington, D.C., has increased and may indicate expanding distribution of the drug to a broader population of users.

PCP is abused primarily by young, inner-city African American and lower-middle-income Caucasian individuals in the W/B HIDTA region. Charles County, Maryland, law enforcement offi-

cials report an increase in PCP abuse in their jurisdiction, where the drug is reportedly more widely abused than heroin, methamphetamine, or MDMA.

CPD abuse is increasing among adolescents and young adults in the W/B HIDTA region. Many new drug abusers are inclined to abuse controlled prescription narcotics rather than heroin, cocaine, or methamphetamine because of their perception that CPDs are safer. Once addicted to controlled prescription narcotics, abusers often switch to heroin because of the drug’s availability and lower price. Similarly, some treatment providers believe that abusers of controlled prescription amphetamines, such as Ritalin (methylphenidate) or Adderall (dextroamphetamine), may begin to abuse methamphetamine as it becomes more available in the region. According to law enforcement reporting, methadone clinic patients in Baltimore mix methadone with benzodiazepines such as diazepam and alprazolam to boost the effects of the drug. Similarly, law enforcement officials in Washington, D.C., report that drug abusers in their area combine OxyContin, morphine, and Xanax (alprazolam).

Methadone abuse and misuse have resulted in an increasing number of overdoses and deaths within the HIDTA region. From 2001 through 2006 (the latest year for which data are available) accidental methadone-related deaths increased significantly in Maryland and Virginia. (See [Table 3 on page 13](#).) Methadone is a safe and effective drug when used as prescribed; however, when it is misused or abused—particularly in combination with other CPDs, illicit drugs, or alcohol—fatal or nonfatal overdose may occur. Methadone can be misused by patients being treated for chronic pain who obtain the drug using legitimate prescriptions as well as by recreational abusers, who often combine it with other drugs or alcohol. In January 2008 the manufacturer voluntarily restricted distribution of the methadone hydrochloride 40-milligram tablets to hospitals and opioid treatment facilities, thereby limiting the strength of any quantity diverted from prescribers.

Table 3. Methadone-Related Deaths in Maryland, Virginia, and Washington, D.C. 2001–2006

	2001	2002	2003	2004	2005	2006
Maryland	20	24	40	96	145	179
Virginia	74	90	130	122	121	152
Washington, D.C.	0	3	10	5	9	*
Total	94	117	180	223	275	331

Source: Centers for Disease Control and Prevention; Maryland State Medical Examiner; Virginia Department of Health Professions.

*Data from the Washington, D.C., Medical Examiner were not available.

Controlled prescription narcotics are the most commonly diverted and abused CPDs in the W/B HIDTA region; however, abuse patterns vary according to location. The abuse of methadone, OxyContin, and hydrocodone products is predominant in Washington, D.C.; Klonopin (clonazepam) and other benzodiazepines as well as OxyContin are the most commonly abused CPDs in the Baltimore area; and OxyContin, alprazolam, and hydrocodone products are the most commonly abused CPDs in Richmond. It has recently been reported that buprenorphine, a drug used in opioid addiction therapy, is being diverted for abuse in the Baltimore area.

Drug-Related Crime

Drug-related violence is prevalent in all areas of the W/B HIDTA region; much of it is attributed to the distribution of crack cocaine by street gangs. Twenty-one of the 27 state and local law enforcement respondents to the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2009¹ in the W/B HIDTA region

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

Maryland Pharmacy Owners Charged With Illegally Selling 10 Million Hydrocodone Pills Over the Internet

In July 2008 the U.S. Attorney for the District of Maryland announced the conviction of the operators of a Baltimore-based pharmacy and online pharmacy that had been selling hydrocodone products to the general public. The defendants were convicted of illegally selling nearly 10 million dosage units of hydrocodone over the Internet, engaging in monetary transactions using the proceeds of the illegal drug sales, and filing false income tax returns. From 2004 through 2006 the defendants had conspired to sell hydrocodone over the Internet to any customer with a valid credit card. Thirty-six physicians issued prescriptions processed by the online pharmacy; 11 of the physicians wrote over 98 percent of the hydrocodone prescriptions. Additionally, hydrocodone accounted for 88 percent of all prescriptions filled by the pharmacy. Two pharmacy clients died as a result of polydrug-related overdoses, which included hydrocodone obtained through this illegal operation. The NDIC Document and Media Exploitation (DOMEX) Branch provided intensive support to this case beginning in 2007 through the trial in 2008, where a DOMEX analyst testified regarding NDIC's support to the investigation.

Source: U.S. Attorney for the District of Maryland.

report that crack cocaine is the drug that most contributes to violent crime in their areas. Although law enforcement agencies attribute a significant number of homicides in the region to drug-related violence, the number of homicides in the region did not increase significantly in 2008. In Washington, D.C., the number of homicides increased only slightly, from 181 in 2007 to 185 in 2008. In Baltimore the number of homicides decreased from 282 in 2007 to 234 in 2008. Homicides in Richmond decreased from 103 in

2007 to 36 in 2008, the lowest number of homicides since the city began keeping such records in 1971. State and local law enforcement officials credit a stronger working relationship with their federal counterparts along with aggressive targeting of violent offenders, a significant increase in police manpower, and targeted efforts to curb blight in some troubled neighborhoods.

Drug-related property crime is also a problem in the region. Some drug abusers commit crimes such as burglary, forgery, fraud, and theft to support their addictions. Of the 27 regional respondents to the NDTs 2009, 19 report that crack cocaine is the drug most associated with property crime in their jurisdiction. NDTs respondents from Baltimore report that heroin is the drug most associated with property crime.

Illicit Finance

Drug traffickers in the W/B HIDTA region use various money laundering techniques to conceal drug proceeds and finance their operations. The means of transferring illicit funds vary by group and include bulk cash smuggling, wire transfers, the structuring of bank deposits and money order purchases, the commingling of drug proceeds with funds generated at legitimate businesses, purchases of real estate and vehicles, front businesses, smart cards, prepaid stored value cards, and the use of *hawalas*.²

Colombian, Dominican, and Mexican DTOs and criminal groups transport drug proceeds primarily in bulk from the HIDTA region, across the U.S.–Mexico border, and into Mexico, Central America, or South America for eventual repatriation. In transporting bulk cash, these traffickers

use private and commercial vehicles, freight transportation companies, shipping containers, and package delivery services. Additionally, Mexican DTOs launder drug proceeds by structuring bank deposits into multiple accounts to avoid meeting the Currency Transaction Report (CTR) filing threshold.

Vietnamese DTOs and criminal groups often use cash-intensive front businesses, such as travel agencies or car washes, to launder illicit drug proceeds. They also transport drug proceeds in bulk, in the form of cash and money orders, to Canada. Once the proceeds are in the country, these groups deposit them into Canadian bank accounts and then electronically wire-transfer the proceeds to source countries. Vietnamese DTOs and criminal groups also launder drug proceeds by structuring bank deposits and participating in real estate fraud.

Middle Eastern and Pakistani DTOs and criminal groups launder illicit heroin proceeds through front businesses, such as used car dealerships, and through the use of *hawalas*. Nigerian DTOs favor bank fraud schemes as well as bulk currency smuggling. West African groups often purchase cars or other legal assets to ship back to Africa as a method of payment. In September 2008 the U.S. Attorney for the District of Maryland announced the conviction of a Pakistan-born U.S. resident who had conspired to launder illicit drug proceeds through his money remitter business, based in Washington, D.C. He had transferred money from the United States to Pakistan, England, Spain, the Netherlands, and Canada using a *hawala*. Additionally, he had failed to file the required CTRs for transactions in excess of \$10,000.

2. *Hawala* is a fairly anonymous form of banking that has been used in the Middle East for centuries. *Hawala* money transfers are made outside the formal banking sectors and are virtually undetectable. Transfers are made primarily from one location to another without the physical movement of funds and, in many cases, with little or no recordkeeping. Any records that are kept are usually in an unrecognizable form of shorthand or are encoded.

Most retail-level drug dealers launder drug proceeds through the purchase of consumer goods (clothing, jewelry, and vehicles) and real estate, and through the use of front businesses. Some retail-level dealers also launder money through recording studios and businesses that promote rap music concerts. Drug traffickers use other techniques to launder illicit drug proceeds that involve money orders, stored value cards, automated teller machines (ATMs), the precious metals and gems trade, and casinos, as well as schemes involving real estate and the insurance industry.

Stored value cards are increasingly being used by traffickers to launder money because they are an easily transportable and virtually anonymous way to store and access cash. Stored value cards physically resemble traditional credit or debit cards and can be used to access both global debit and ATM networks. Stored value card programs often accept applications without face-to-face verification of cardholder identity, taking applications online or by fax. Funds can be prepaid by one person and withdrawn by another through ATMs anywhere in the world; multiple cards can be issued for a single account.

Traffickers in the W/B HIDTA region use Internet payment systems to launder their drug proceeds. Online payment systems, including digital currencies,³ offer drug money launderers anonymity, versatility, and convenience while establishing a global reach and reducing issues linked to fluctuating exchange rates. Some online payment services are unable to definitively authenticate customer identification, and others openly promote anonymous payments.

3. Digital currencies are privately owned online payment systems that allow international payments, which are often denominated in the standard weights for gold and precious metals.

Outlook

Dominican DTOs and criminal groups most likely will increase their influence in the HIDTA region in the next year as they expand their wholesale sources of supply beyond Colombian DTOs.

Mexican DTOs, operating primarily out of transshipment centers in Georgia and North Carolina, will most likely increase their wholesale distribution of cocaine, heroin, marijuana and, to a lesser extent, methamphetamine in the HIDTA region in the coming year. These organizations have well-established transportation and distribution networks that will enable them to supply wholesale quantities of illicit drugs to the region.

Guatemalan DTOs will continue to distribute wholesale quantities of cocaine and heroin in the Washington, D.C., and Baltimore areas in the foreseeable future. These groups may further expand their operations by looking for new markets in areas that have new or established Guatemalan populations.

Indoor cannabis cultivation, particularly at hydroponic grow sites in the HIDTA region, will most likely increase over the next year. The rising demand for high-potency marijuana coupled with the drug's high profit potential will quite likely entice more traffickers in the region to become involved in indoor cannabis cultivation.

The abuse of CPDs, particularly controlled prescription narcotics, will continue to increase in the HIDTA region in the coming year, especially among young adults. These drugs are readily available to abusers through family, friends, or doctor-shopping, and abusers do not perceive them to be as dangerous as heroin or cocaine.

The availability and abuse of MDMA will increase as the drug becomes more readily available from African American retail-level dealers in urban areas of the region; this increased availability will broaden the abuser base for this drug in the region.

Sources

Local, State, and Regional

District of Columbia

Metropolitan Police Department

Maryland

Annapolis Police Department

Anne Arundel County Police Department

Baltimore City Police Department

Organized Crime Division

Narcotics Section

Baltimore County Police Department

Baltimore Medical Examiner

Charles County Sheriff's Office

Cheverly Police Department

Chevy Chase Village Police Department

City of Seat Pleasant Police Department

District Heights Police Department

Howard County Department of Police

Hyattsville City Police Department

Laurel Police Department

Maryland State Medical Examiner's Office

Maryland State Police

Drug Enforcement Division

Montgomery County Police Department

Mount Rainier Police Department

Prince George's County Police Department

Riverdale Park Police Department

Rockville City Police Department

Seat Pleasant Police Department

Virginia

Alexandria Police Department

Arlington County Police Department

Ashland Police Department

Chesterfield County Police Department

Fairfax County Police Department

Falls Church City Police Department

Henrico County Division of Police

Leesburg Police Department

Manassas City Police Department

Manassas Park Police Department

Petersburg Police Department

Prince George County Police Department

Prince William County Police Department

Richmond Police Department

State of Virginia

Department of Health Professions

Virginia State Police

BCI Criminal Intelligence Division

Federal

Executive Office of the President

Office of National Drug Control Policy

Washington/Baltimore High Intensity Drug Trafficking Area

U.S. Department of Commerce

U.S. Census Bureau

U.S. Department of Health and Human Services

Centers for Disease Control and Prevention

National Institutes of Health

National Institute on Drug Abuse

Community Epidemiology Working Group

U.S. Department of Homeland Security

U.S. Coast Guard

U.S. Immigration and Customs Enforcement

U.S. Department of Justice

Drug Enforcement Administration

Baltimore District Office

El Paso Intelligence Center

National Seizure System

Heroin Domestic Monitor Program

Microgram Bulletin

Richmond District Office

Washington Field Division

U.S. Attorneys Offices

District of Columbia

District of Maryland

Eastern District of Virginia

U.S. Department of the Treasury

Internal Revenue Service

**Questions and comments may be directed to
Great Lakes/Mid-Atlantic Unit, Regional Threat Analysis Branch.**

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LEO <https://www.leo.gov/http://leowcs.leopriv.gov/lesig/ndic/index.htm>