



Department of Justice

STATEMENT

OF

**MATTHEW H. MEAD
UNITED STATES ATTORNEY
FOR THE
DISTRICT OF WYOMING**

BEFORE THE

**COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE**

CONCERNING

“COMBATING METHAMPHETAMINE IN INDIAN COUNTRY”

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United States Attorney for the District of Wyoming

United States Senate
Committee on Indian Affairs

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“Combating Methamphetamine in Indian Country”

Chairman McCain, Vice Chairman Dorgan, and Members of the Committee, it is an honor to appear before you today to provide information about the growing presence of methamphetamine in Indian country, and what the Department of Justice is doing to partner with law enforcement and Native American communities to address this public safety and health problem. I am Matthew Mead, the United States Attorney for the District of Wyoming. I am also a member of the Native American Issues Subcommittee of the Attorney General's Advisory Committee. The Native American Issues Subcommittee consists of 28 United States Attorneys who have significant amounts of Indian country in their respective districts. The members of the Subcommittee work actively individually and as a group to ensure that the law enforcement needs of Indian country are met, and consult frequently with tribes on law enforcement and prosecution issues important to Native Americans.

The Department of Justice recognizes that methamphetamine use, production, and distribution in Indian country have increased significantly over the past ten years. Just last week, Attorney General Gonzales visited the Yakama Nation Indian Reservation in Washington state and participated in a roundtable discussion with federal, tribal, and state law enforcement and justice officials to discuss methamphetamine in Indian country. During this meeting, Attorney General Gonzales discussed the Department's ongoing efforts to combat methamphetamine, including the successes already achieved by drug task forces working in Indian country, and also announced a new methamphetamine training initiative for tribal law enforcement.

The Nature of the Problem

Methamphetamine is a synthetic central nervous system stimulant that is classified as a Schedule II controlled substance. It is widely abused throughout the United States and is distributed under the names “crank,” “meth,” “crystal,” and “speed.” Methamphetamine is commonly sold in powder form, but has been distributed in tablets or as crystals (sometimes called “glass” or “ice”). Methamphetamine can be smoked, snorted, injected or taken orally. The clandestine manufacture of methamphetamine has been a concern of law enforcement officials since the 1960's, when outlaw motorcycle gangs produced their own methamphetamine in labs and dominated distribution in the United States. While clandestine labs can produce other types of illicit drugs such as PCP, MDMA, and LSD, methamphetamine has always been the primary drug manufactured in the vast majority of drug labs seized by law enforcement officers throughout the nation.

The methamphetamine found in the United States originates from two general sources, controlled by two distinct groups. Most of the methamphetamine consumed in the United States is produced by Mexico-based and California-based Mexican traffickers. These drug trafficking organizations control “super labs” (a laboratory capable of producing 10 pounds or more of methamphetamine within a production cycle) and produce the majority of methamphetamine available in the United States. Super labs require bulk amounts of pseudoephedrine, a key ingredient used in the manufacturing of methamphetamine. Current drug and lab seizure data suggests that roughly eighty percent of the methamphetamine used in the United States comes from these larger labs, which are increasingly found in Mexico. These same Mexican criminal organizations control most mid-level and retail methamphetamine distribution in the Pacific, Southwest, and West Central regions of the United States, as well as much of the distribution in the Great Lakes and Southeast regions.

Initially found only in the most western areas of the country, there has been a steady increase and eastward spread of small toxic labs (STLs) in the United States. Currently, the Drug Enforcement Administration (DEA) estimates that STLs are responsible for approximately twenty percent of the methamphetamine consumed nationwide. Many methamphetamine abusers quickly learn that the drug is easily produced and that it can be manufactured using common household products found at retail stores. For approximately \$100 in “materials,” a methamphetamine “cook” can produce approximately \$1,000 worth of this poison.

Items such as rock salt, battery acid, red phosphorous road flares, pool acid, and iodine crystals can be used as a source for the necessary chemicals. Precursor chemicals such as pseudoephedrine can be extracted from common, over-the-counter cold medications, regardless of whether they are sold in liquid, gel, or pill form. Using relatively common items such as mason jars, coffee filters, hot plates, pressure cookers, pillowcases, plastic tubing and gas cans, a clandestine lab operator can manufacture methamphetamine almost anywhere without the need for sophisticated laboratory equipment.

The spread of methamphetamine labs can also be attributed to the evolution of technology and the increased use of the Internet. This form of information sharing allows wide dissemination of these manufacturing techniques to anyone with computer access. Aside from marijuana, methamphetamine is the only widely abused illegal drug that is capable of being produced by the abuser. Given the relative ease with which manufacturers are able to acquire “recipes” and ingredients, and the unsophisticated nature of the production process, it is not difficult to see why methamphetamine and methamphetamine labs have spread across America, poisoning our citizens and contaminating our environment.

As the Committee is aware, the effects of methamphetamine are tragic, particularly with regard to children. Parents who manufacture methamphetamine may cook the drug with their children nearby, exposing them to highly toxic fumes and other hazards. Parents who are addicted to the drug will periodically engage in a binge lasting two or three days, during which their children are neglected entirely. Extended use of the drug often leads to changes in temperament which may result in the physical abuse of children. And, we have yet to understand the long-term negative effects of children born to methamphetamine-addicted mothers.

Drug Trafficking in Indian Country

In the United States, there are 562 federally recognized tribes, residing on 281 reservations within 34 different states. Sixty-one reservations are within 50 miles of either the U.S.-Canada border or the U.S.-Mexico border. Because of the sovereign status of the tribes, they are generally not subject to state jurisdiction, except where Public Law 280 applies. As a result, local law enforcement often has no jurisdiction in Indian country, and tribal law enforcement agencies bear the burden of most law enforcement functions. The ratio of law enforcement personnel to residents on tribal lands is far lower than in non-tribal areas. In Indian

lands, according to the National Native American Law Enforcement Association, the ratio is less than 2 officers per 1,000 residents, compared to a range of 3.9 to 6.6 officers per 1,000 residents in non-tribal areas. The dispersion of residents in tribal areas over a large geographic area exacerbates this problem. For example, we understand that the Pine Ridge Indian Reservation in South Dakota has 88 sworn tribal officers to serve 41,000 residents on 2.1 million acres. This equates to a ratio of 1 officer per 24,400 acres of land.

Mexican and Native American traffickers control most of the retail level drug distribution on reservations. Gangs have also begun to infiltrate Native American lands. Mexican criminals have been known to marry Native American women in order to gain a foothold on reservations, and thus establish drug distribution rings. The proximity of some reservations to the border facilitates drug trafficking. For example, the Tohono O'Odham Indian Reservation in Arizona is the second largest reservation in the United States, sharing approximately 70 miles of border with Mexico. It is a vast, desolate, and largely unprotected reservation that provides ample opportunity for uncontested border crossing. The Tohono O'Odham Indian Reservation is believed to be used as a primary corridor for the movement of illegal drugs by Mexican drug trafficking organizations. In 2004, 32.1 metric tons of marijuana alone were seized on the Tohono O'Odham Reservation.

Federal Law Enforcement Efforts

The Department of Justice's Office of Tribal Justice has met with representatives from the National Congress of American Indians, the National Native American Law Enforcement Association, and numerous federally recognized tribes, in addition to federal partners from the Bureau of Indian Affairs' Office of Law Enforcement Services and the Office of National Drug Control Policy, to address the problem of methamphetamine in Indian country.

The Native American Issues Subcommittee (NAIS) of the Attorney General's Advisory Committee hosted a Tribal Summit in Coeur d'Alene, Idaho, in October 2005. The Summit's focus was methamphetamine, specifically, creating strategies to combat methamphetamine distribution, its use in Indian country and to clarify litigation policies among the U.S. Attorneys with Indian country responsibility. The Summit was attended by over 100 tribal representatives from around the country, as well as representatives from the

Department of Justice's Office of Tribal Justice, the Federal Bureau of Investigation (FBI), the Bureau of Indian Affairs (BIA), state and local law enforcement, tribal law enforcement, the DEA, the Indian Health Service, and the Deputy Drug Czar for State and Local Affairs.

Following this meeting, a best practices document was drafted for review and approved by the Attorney General's Advisory Committee and disseminated to the 94 United States Attorney's Offices. Recommendations in the best practices document include, in part, the development or enhancement of regional multi-jurisdictional investigative task forces, reducing the drug quantity thresholds for federal prosecution, increased participation in drug endangered children initiatives, and working with local health care providers to develop safety plans for medical providers, patients, and the public in emergency room departments.

The United States Attorney for the District of Arizona, under the direction of U.S. Attorney Paul Charlton, has taken steps to address the issue of drug trafficking in Indian country. Together with the BIA, FBI, and the Drug Enforcement Administration's Phoenix Field Division, the U.S. Attorney's Office has developed an initiative that addresses the threat of methamphetamine in Indian country by emphasizing training, education, enforcement, and prosecution strategies. The initiative focuses available resources on drug dealers who constitute the greatest threat to Indian communities in Arizona, and has already resulted in increased prosecutions of drug dealers working in Arizona's Indian communities.

Also in Arizona, the DEA's Phoenix Field Division has included a BIA agent in its methamphetamine conspiracy and clan lab group, and it conducts aggressive demand reduction efforts and education events throughout Indian country. The Phoenix Field Division is also offering a two-day methamphetamine training course, in conjunction with the BIA, FBI and the Arizona U.S. Attorney's Office, designed specifically for Tribal Law Enforcement charged with implementing the local methamphetamine eradication plan. The training will involve the basics in methamphetamine and drug identification, as well as clan lab safety and investigation, search and seizure issues, evidence handling, interview techniques, and drug field testing. The Clan Lab Safety & Investigation component of the training is an abbreviated form of the DEA's State and Local Clan Lab Certification School curriculum. This training will be regional and cover

the entire state of Arizona. Presently, the schools are planned for May of 2006 in Phoenix and Flagstaff, and representatives from 14 tribes are expected to attend.

To address violent crime in Indian country, as well as drug trafficking, the FBI initiated the Safe Trails Task Force Program in March 1994. Other Task Force participants include the DEA, BIA, tribal police departments, and state and local law enforcement agencies. There are currently 15 Safe Trails Task Forces.

As the Committee is aware, our Office of Justice Programs (OJP), the Department of Justice's Office on Violence Against Women (OVW), and the Office of Community Oriented Policing Services (COPS) continue to be the Department's primary resources for funding, programmatic, and other assistance in Indian country. OJP has been providing methamphetamine investigation training for law enforcement, including tribal law enforcement, for many years. The training has been delivered by the Center for Task Force Training (CenTF), an OJP grantee that is supported by the National Narcotics Officers' Association.

Attorney General Gonzales recently announced that OJP will develop a new methamphetamine investigation training specifically tailored to tribal law enforcement. This new course will provide tribal law enforcement what they need to know to conduct successful and safe methamphetamine investigations. CenTF will deliver the training in ten locations throughout the U.S. in 2006 and 2007. We expect that several hundred tribal law enforcement officers will receive training through this initiative.

OJP's Drug Court Discretionary Grant Program is another valuable resource for communities experiencing methamphetamine problems, including tribal communities. This program provides financial and technical assistance to states, state courts, local courts, units of local government, and Indian tribal governments to develop and implement drug courts that effectively integrate substance abuse treatment, mandatory drug testing, sanctions and incentives, and transitional services in a judicially supervised court setting with jurisdiction over nonviolent, substance-abusing offenders. Drug courts assist those who abuse methamphetamine and other drugs by providing treatment, drug testing, sanctions, and transitional services to offenders.

Several tribes and tribal organizations, including the Washoe Tribe of Nevada and California; the Chippewa Cree Tribe, the Crow Agency and the Fort Peck and Sioux Tribes of Montana; the Flandreau Santee Sioux Tribe of South Dakota; and Yakama Nation and Lummi Nation of Washington, have used OJP drug court grants to address methamphetamine problems. In fact, Attorney General Gonzales toured the Yakama Nation's drug court last week, and spoke with the chief judge about methamphetamine cases on the reservation. The Crow Agency and Lummi Nation are already planning additional drug court efforts that will also focus on methamphetamine use. In addition, the Mississippi Band of Choctaw Indians is planning a methamphetamine-related drug court program using OJP funds.

OJP also focuses on victims of methamphetamine use who are too often overlooked – children found living or visiting methamphetamine laboratories. As mentioned earlier, these children face severe health and safety risks, including fires and explosions.

This spring OJP will develop a National Drug Endangered Children Resource Center, which will provide critical information to the federal Government, states, and local communities on how to best help children hurt by drugs, including methamphetamine. This effort will help drug enforcement officers and child welfare workers aid children found in environments where drugs are manufactured, sold, or used. The Resource Center will also raise awareness of these children's needs and provide a forum for leading experts and researchers to propose solutions. We hope that the Resource Center will also be a useful tool for tribal communities, especially in areas with methamphetamine problems.

Successful Law Enforcement Partnerships -- The Wyoming Example

A collaborative effort between federal, state, local and tribal law enforcement is essential in tackling a problem as pervasive as methamphetamine. Two recent cases in the District of Wyoming are helpful illustrations of the efficacy of a coordinated response to methamphetamine trafficking in Indian country.

In 2004, the DEA's Post of Duty in Casper Wyoming, the Wyoming Division of Criminal Investigation Northwest Enforcement Team (DCI), and the BIA on the Wind River Indian Reservation initiated an investigation into the Goodman Drug Trafficking Organization (DTO). This investigation focused on the narcotic activities of the Goodman DTO - a family-run criminal organization based on the Wind River Indian Reservation (WRIR or Reservation). The Goodman DTO was responsible for distributing methamphetamine, cocaine, marijuana, and diverted prescription painkillers, such as Oxycodone (OxyContin), Hydrocodone (Vicodin), and Proxyphene (Darvocet), to residents of the Reservation and neighboring areas of Fremont County.

Investigators estimate that the Goodman DTO distributed at least one pound of methamphetamine each month to clients on the Wind River Indian Reservation. In addition, the Goodman DTO served approximately 20 to 50 drug customers per day. This year-long investigation culminated on May 27, 2005, with law enforcement officers executing 19 arrest warrants and 28 search warrants on the WRIR and in surrounding areas. In the days leading up to the arrests, federal and state agents learned of credible threats to harm a BIA officer for his proactive approach in the investigation. These threats, combined with the expansive geographic area from which such a large number of arrests were to be made and the large number of locations to be searched, triggered what is likely the largest coordinated law enforcement response in Wyoming.

Law enforcement's preparation for this effort began well in advance. Through the focused leadership of DCI agents assigned to the Northwest Enforcement Team, the DEA agents in Casper and the BIA officers, a detailed operation plan was drafted and fine tuned to meet all potential tactical obstacles and to ensure safety for all law enforcement, those being arrested, and those whose property was being searched. In all, 28 separate locations were searched. The searches turned up methamphetamine, marijuana, prescription pills, and weapons, including an SKS assault rifle. Within hours, all 19 defendants were arrested without incident and each location was secured and searched. No one was injured and medical personnel in attendance were not needed.

In June 2005, another seven defendants were arrested and charged. Again, cooperating law enforcement agencies gathered on a smaller scale to execute the remaining arrest warrants. Altogether, 25 people, including a tribal court judge,

faced various federal drug and firearm violations. Additional conspirators were charged through the Fremont County Attorney's Office.

The entire Goodman family has now pleaded guilty. In fact, of the 25 federal defendants, 22 have now been convicted. All persons charged with making threats against a law enforcement officer have pleaded guilty, including the tribal court judge.

A second Wyoming case illustrates how a ruthlessly devised and executed business plan developed by a Mexican drug trafficking organization targeted Indian reservations in the West for methamphetamine distribution. On May 3, 2005, a jury found Jesus Martin Sagaste-Cruz, 39, of Mexico, guilty of conspiracy to distribute methamphetamine. In addition, Sagaste-Cruz was found responsible for distributing, during the course of the conspiracy, in excess of 100 pounds of methamphetamine on the WRIR, in several other Wyoming communities, and in Ogden, Utah. One hundred pounds of methamphetamine has a street value of between 4.5 to 6.8 million dollars. Sagaste-Cruz was sentenced to life in prison on July 6, 2005.

What is particularly compelling about this case is that Sagaste-Cruz executed a criminal business plan to sell methamphetamine not only in Fremont County, Wyoming, but also on the Rosebud, Pine Ridge and Yankton reservations in South Dakota and on the Santee Sioux Reservation in Nebraska. Through the investigation, authorities learned that the business plan was hatched after members of the drug ring read a news article in the Denver Post. The article described how liquor stores in Whiteclay, a small Nebraska town, were profitably selling huge quantities of alcohol to Native Americans from the nearby Pine Ridge Reservation in South Dakota. In fact, the Whiteclay liquor stores sold \$4 million a year in beer and malt liquor primarily to members of the Oglala Lakota Sioux. That reservation had an alcoholism problem of epidemic proportions. The news article also pointed out how liquor sales peaked each month shortly after monthly per-capita checks were sent in the mail.

Members of Sagaste-Cruz' drug ring surmised that if people who were addicted to alcohol could be given free samples of methamphetamine, the alcoholics would quickly switch over to being addicted to the drug. And, the Mexican-national members of this drug ring figured they would not stand out

among American Indians. The organization led by Sagaste-Cruz could distribute the methamphetamine via customers who would be forced to become dealers to support their own habits. The methamphetamine could be supplied by “super labs” in California and Mexico.

To execute the business plan, members of the Sagaste-Cruz organization relocated to communities in close proximity to the affected reservations. The first thing the members did was to develop romantic relationships with Indian women. Some even had children with these Indian women. The women were introduced to the methamphetamine with free samples. All of the lower-level distributors told investigators that they started as recreational users and all became severely addicted to methamphetamine. To support their habit, customers became dealers and distributors themselves, using free samples to recruit new customers. This model provided for steady growth as customers became dealers/recruiters themselves, and their customers in turn became dealers/recruiters in a pyramid growth scheme.

The key to breaking the Sagaste-Cruz ring was coordination with local law enforcement officers, on and off the reservations. The sharing of information and resources allowed for a gradual realization that we were dealing with a large-scale criminal enterprise and not just a few users on the WRIR. It is worthy of note that some of the dealers/recruiters told law enforcement officials that getting arrested probably saved their lives. All are in prison and participate in the Bureau of Prisons’ Residential Drug Abuse Treatment program, a program consisting of a minimum of 500 hours of intensive treatment and counseling over 9 months.

At Sagaste-Cruz’s sentencing District Judge Alan B. Johnson said “Standing before me today is not a man who is addicted to drugs or is dealing with his own personal depression or demons in his life. He is a man who is part of a business organization which exists for the purpose of bringing his poisons into the United States, over the borders, from California to Utah and into Wyoming, for consumption by those people on the reservation and others throughout the state of Wyoming who do suffer from a wide variety of ills as well as disorders in their own lives....”

An effective and efficient collaborative effort between tribal, state, and federal law enforcement, and the support of tribal leaders, was critical to the

successful dismantling of the Goodman and Sagaste-Cruz organizations. Such collaboration has been and continues to be greatly enhanced by outreach efforts undertaken by the United States Attorney's Office to build rapport with the WRIR's Joint Business Council and the two tribes it represents, the Northern Arapaho and Eastern Shoshone. These efforts include hosting an annual Native American Conference in Fremont County, attending cultural events important to the Indian community, ensuring that Indian victims and defendants are treated with respect and sensitivity, and meeting regularly with the Joint Business Council. An important outgrowth of the strong working relationship we have developed with the Tribes is a cooperative law enforcement agreement between federal, state, local and tribal agencies, which makes optimal use of available law enforcement resources in the area.

However, we continue to be faced with unique challenges on the Reservation. Investigations can be more difficult because Indian family members who may be witnesses to illegal narcotics activities are often under intense pressure not to cooperate with authorities. Native Americans engaged in the sale of illegal drugs on reservations are very cognizant and distrustful of outsiders, making undercover work more challenging. Wiretaps conducted on the Reservation may not be as effective as those elsewhere, since telephone use by perpetrators can be sporadic or greatly limited. These challenges demand that we use all of the tools at our disposal, including the outreach and collaborative law enforcement efforts mentioned above.

Additional Law Enforcement Efforts

Other jurisdictions also successfully use a collaborative law enforcement model. In March 2006, the DEA's Mobile Enforcement Team from the Dallas Field Division, working closely with the Chickasaw Indian Nation, the BIA, ATF, state and local officers, and the United States Attorney's Offices, concluded a nine month deployment and investigation in Texas and Oklahoma that resulted in the arrest of 108 individuals and the dismantling of seven methamphetamine trafficking organizations and two crack cocaine organizations. According to Sheldon Sperling, the United States Attorney for the Eastern District of Oklahoma, the federal targets represent the leaders of an organization planted in southern Oklahoma and northeastern Texas by a violent street gang in Chicago known as Satan's Disciples. The year-long operation against the drug ring was dubbed "700

Ranch Round-up” and has led to the confiscation of over 19 pounds of methamphetamine, more than \$166,000, and 49 weapons. As a result of this effort, seven methamphetamine trafficking organizations and two crack cocaine organizations were dismantled.

The “700 Ranch Round-up” is actually the second major take-down in a three year period involving the Eastern District of Oklahoma. In 2003-2004, the United States Attorney for the Eastern District of Oklahoma launched an initiative along the Oklahoma/Arkansas border to stop five drug trafficking operations that were operating at tribal casinos, beyond the reach of state and local law enforcement. Limited tribal and BIA resources also allowed these traffickers to operate with impunity. The initiative, heralded as a sterling example of intergovernmental cooperation, netted 34 defendants. The federal government prosecuted one-half of those arrested, with the remaining defendants prosecuted by state officials.

Conclusion

I commend the Committee’s interest in the public safety and health consequences of the methamphetamine menace on Indian reservations. Methamphetamine has contributed to the high violent crime rate in Indian country, devastated Native American families, and strained resources of tribal law enforcement, health, and social services programs. Those consequences remain an important concern at the Department of Justice. I appreciate the opportunity to speak on this critical and timely topic. I will be pleased to answer any questions you may have.