



**U.S. Department of Justice
National Drug Intelligence Center**



Atlanta High Intensity Drug Trafficking Area



Drug Market Analysis 2010

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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

Strategic Drug Threat Developments	1
HIDTA Overview	3
Drug Threat Overview	3
Drug Trafficking Organizations	5
Production	5
Transportation	7
Distribution	8
Drug-Related Crime	9
Abuse	10
Illicit Finance	10
Outlook	11
Appendix A. Table	12
Sources	13

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Strategic Drug Threat Developments

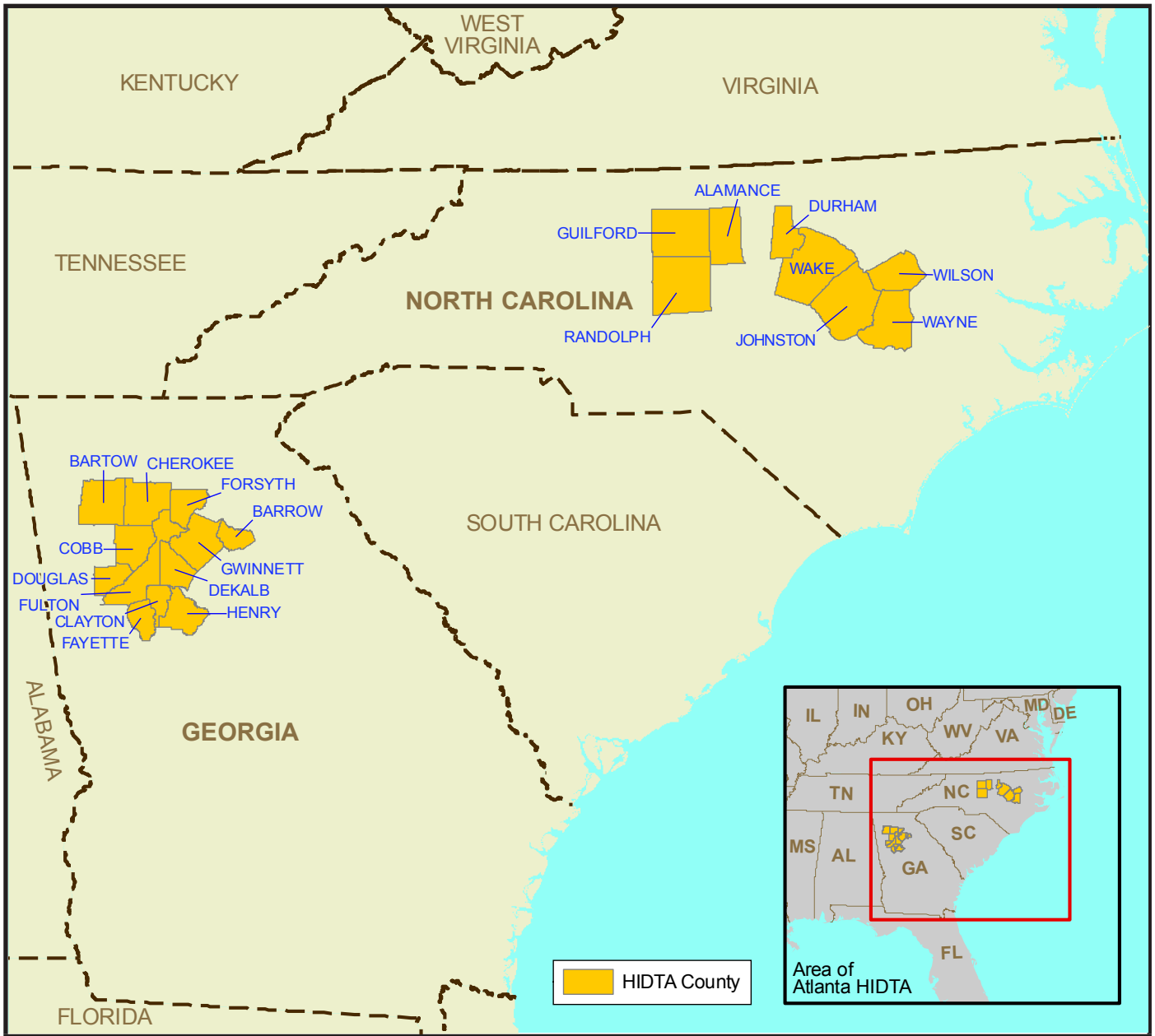
The principal drug threats to the Atlanta High Intensity Drug Trafficking Area (HIDTA) region are the distribution and abuse of cocaine and the production and abuse of methamphetamine. Controlled prescription drugs (CPDs) pose an emerging threat and heroin remains a relatively low but growing threat to the region. In addition, the Atlanta area is the principal bulk cash consolidation center for Mexican drug trafficking organizations (DTOs) operating in the eastern United States.

The following are significant strategic drug threat developments in the Atlanta HIDTA region:

- Mexican DTOs are moving their operations beyond metropolitan Atlanta into rural areas of Georgia, North Carolina, and South Carolina and are establishing drug stash houses in Alabama to avoid law enforcement pressure in the Atlanta HIDTA region. National Drug Intelligence Center (NDIC) analysts expect that the continued movement of Mexican DTO operations from metropolitan Atlanta to rural areas will disperse drug transshipment operations to eastern U.S. drug markets. Mexican DTOs will transition from distribution cells concentrated in the Atlanta metropolitan area into a network of cells operating throughout Alabama, Georgia, North Carolina, and South Carolina.
- Cocaine availability at the wholesale level rebounded in 2009 and early 2010. The cocaine shortages that began in the region in 2007 have abated, and cocaine availability has stabilized throughout the region. In fact, cocaine prices at the wholesale level decreased slightly from year end 2008 to early 2010. Cocaine availability is expected to remain at levels sufficient to support market demand in the near term.
- Methamphetamine availability has increased markedly over the past year. Mexican DTOs are supplying large amounts of methamphetamine to the region and Caucasian traffickers are increasing local production. Methamphetamine laboratory seizures increased almost 63 percent from 2008 through 2009 in the region, specifically in Atlanta HIDTA counties in North Carolina. Increased production is attributed to the rising popularity of the one-pot production method and the abundance of pseudoephedrine smurfing operations. Despite the planned implementation of a multistate electronic pseudoephedrine tracking database in 2010, NDIC analysts expect production to increase in the region as pseudoephedrine smurfing organizations use stolen and false identification to circumvent pseudoephedrine tracking laws.
- Atlanta HIDTA counties in Georgia may become source areas for CPDs, particularly prescription opioid pain relievers^a diverted for distribution throughout the southeastern United States, unless statewide legislation aimed at curbing diversion is successfully implemented. Georgia is the only southeastern state that has not instituted a prescription drug monitoring program (PDMP). As a result, Atlanta HIDTA counties in Georgia are vulnerable to CPD diversion, particularly through the increasing number of pain management clinics in the state.

a. Opioid pain relievers include codeine, fentanyl (Duragesic, Actiq), hydromorphone (Dilaudid), meperidine (Demerol), morphine (MS Contin), oxycodone (OxyContin), methadone (Dolophine), and hydrocodone combinations (Vicodin, Lortab, and Lorcet).

Figure 1. Atlanta High Intensity Drug Trafficking Area



HIDTA Overview

The Atlanta HIDTA, comprising 12 counties in Georgia and 8 counties in North Carolina, is a distribution center for powder cocaine, ice methamphetamine, commercial-grade marijuana, and, increasingly, Mexican black tar and brown powder heroin. (See [Figure 1 on page 2.](#)) Mexican DTOs exploit the region's position as an interstate transportation hub for use as a leading drug distribution and bulk cash consolidation center for drug markets throughout the eastern United States, including Birmingham, Huntsville, Mobile, and Montgomery, Alabama; Miramar, Palm Coast, Panama City, Perry, and Tampa, Florida; Louisville, Kentucky; Jackson, Mississippi; New York; Charlotte and Raleigh, North Carolina; Cincinnati, Ohio; Chester and Pittsburgh, Pennsylvania; Greenville, South Carolina; Chattanooga, Memphis, and Nashville, Tennessee; and Newport News and Richmond, Virginia. The convergence of Interstates 20, 75, and 85 in Atlanta provides Mexican traffickers with easy access from the Southwest Border (Arizona, California, and Texas) to eastern U.S. drug markets. (See [Figure 2 on page 7.](#)) Furthermore, I-40 provides Mexican traffickers with a direct route from drug transit areas in Barstow, California, through Flagstaff, Arizona; Albuquerque, New Mexico; and Memphis, Tennessee, into Greensboro, Durham, and Raleigh, North Carolina. (See [Figure 3 on page 8.](#))

The region has a large customer base and a sizable Hispanic population that is exploited by Mexican traffickers. More than 6.7 million individuals resided in the Atlanta HIDTA region in 2009. The majority of residents in the region are Caucasian (66%), followed by African American (29%), Hispanic (10%), and Asian (4%). The Hispanic population is the fastest growing ethnic group in the region. Hispanic workers come to the region seeking jobs in the construction, manufacturing, and meat-processing industries. Mexican drug traffickers are exploiting the region's sizable Hispanic community by blending into those communities, enabling them to carry out their drug trafficking operations and to recruit couriers and new members.

Drug Threat Overview

Cocaine distribution and abuse and methamphetamine production and abuse are the primary drug threats to the Atlanta HIDTA region. Cocaine is frequently abused in the region and is the illicit drug most often mentioned as the primary, secondary, or tertiary substance problem in treatment admissions to publicly funded facilities in Atlanta HIDTA counties in Georgia. Increased methamphetamine production poses increased environmental and health risks to the region. According to the NDIC National Drug Threat Survey (NDTS) 2010,^b 27 of 61 federal, state, and local law enforcement respondents in the Atlanta HIDTA region identify cocaine as the drug that poses the greatest threat to their jurisdictions and 22 respondents identify methamphetamine.

Cocaine availability has stabilized at the wholesale level in the Atlanta HIDTA region having recovered from the shortages reported in 2007. Atlanta HIDTA initiatives seized more than twice as much cocaine in 2009 (1,756 kg) as in 2008 (817 kg), suggesting increased availability of the drug. (See [Table 1 on page 4.](#)) Even so, cocaine still remains less available than it was in 2006 and, during the first quarter of 2010, the Drug Enforcement Administration (DEA) Atlanta Division reported that the availability of cocaine remains restricted. Wholesale cocaine prices have decreased slightly as cocaine availability stabilized. For example, wholesale-level cocaine prices in Atlanta decreased slightly from \$28,500 to \$34,000 per kilogram at year end 2008 to \$24,000 to \$33,000 per kilogram in early 2010. At the high end of the price range, retail-level cocaine prices remained stable throughout the region at \$100 per gram during the same period. In addition, Mexican cocaine traffickers in Gwinnett County, Georgia, are now fronting ounce quantities of cocaine to buyers, a further indication that traffickers have sufficient quantities of the drug on hand.

The increasing availability of Mexican ice methamphetamine coupled with increasing local methamphetamine production pose significant drug threats to the Atlanta HIDTA region. The amount of methamphetamine seized by Atlanta HIDTA initiatives increased 517 percent from 2008 (57 kg) to 2009 (351 kg). Almost half of that total was seized in May 2009, after HIDTA Task Force Group 1 discovered more than 159 kilograms of ice methamphetamine concealed in the walls of two residences in Duluth, Georgia. Moreover, the DEA reports that 5 of the 10 largest methamphetamine seizures in the country in 2009 occurred in the Atlanta HIDTA region. Increased production of methamphetamine in Mexico is the likely cause for increased Mexican ice methamphetamine availability in the Atlanta area. The Mexican government reported a dramatic increase in methamphetamine laboratory seizures from 2008 (51) through November 2009 (215) and, according to

b. NDTS data for 2010 cited in this report are as of March 3, 2010. NDTS data cited are raw, unweighted responses from federal, state, and local law enforcement agencies solicited through either the NDIC or the Office of National Drug Control Policy (ONDCP) HIDTA program. Data cited may include responses from agencies that are part of the NDTS 2010 national sample and/or agencies that are part of HIDTA solicitation lists.

U.S. Customs and Border Protection, the amount of methamphetamine seized along the Southwest Border in 2009 was the highest annual seizure total since 2005. Moreover, the number of methamphetamine laboratories seized in the Atlanta HIDTA region increased almost 63 percent from 2008 through 2009, specifically in Atlanta HIDTA counties in North Carolina. (See Table A1 in Appendix A.)

Table 1. Atlanta HIDTA Drug Seizures, by Initiative, in Kilograms, 2009

HIDTA Initiative	Powder Cocaine	Crack Cocaine	Ice Methamphetamine	Powder Methamphetamine	Marijuana	Hydroponic Marijuana	Heroin	OxyContin in dosage units	MDMA in dosage units
DeKalb	40.40	0.37	37.06	0.00	1,966.79	290.26	0.53	155.00	75,971.00
Metro (Groups 1-3, Financial, Transportation)	849.64	0.29	263.53	12.40	4,508.13	1,412.35	4.94	0.00	1,002.00
North Carolina Triangle	94.29	0.00	3.13	0.00	837.45	0.10	1.31	10,174.00	79.00
Domestic Highway Drug Enforcement (DHDE)	771.56	0.00	47.31	0.00	1,854.12	0.00	3.00	0.00	0.00
Total	1,755.89	0.66	351.03	12.40	9,166.49	1,702.71	9.78	10,329.00	77,052.00

Source: Atlanta High Intensity Drug Trafficking Area.

Marijuana is widely available and abused in the Atlanta HIDTA region. Most of the marijuana available in the region is commercial-grade Mexican marijuana. Marijuana produced locally at indoor and outdoor grow sites is available, and high-potency marijuana, principally from northern California and Canada, is increasingly available.

The diversion and abuse of CPDs pose a considerable and growing threat to the Atlanta HIDTA region. CPDs are readily available, abused at high levels, and are associated with a high number of overdose deaths in the region. NDTs 2010 data show that 39 of the 62 law enforcement agency respondents in the region report that CPDs are available at high levels in their jurisdictions. The Georgia Bureau of Investigation (GBI) reports that 85 percent of drug overdose deaths in Georgia in 2008 involved CPDs or a combination of CPDs and illicit drugs. The threat from CPDs is intensified by the growing number of pain management clinics in the region that supply CPDs, particularly opioid pain relievers, to abusers in the region and surrounding states such as Kentucky and Tennessee.

Heroin remains a low threat to the Atlanta HIDTA. While heroin availability is low, the availability and abuse of Mexican brown powder heroin and Mexican black tar heroin, supplied by Mexican traffickers, have increased over the past year in the region, particularly in Atlanta HIDTA counties in North Carolina. According to NDTs data, 46 of 62 law enforcement respondents report that heroin is available at moderate to low levels in their jurisdictions. Atlanta Police Department officers report that increased amounts of Mexican brown powder heroin and white heroin of unknown origin were available in the city in 2009. Officers further reported that heroin distribution expanded to more locations in the city during the same period. Young Caucasians from suburban counties are increasingly traveling to Atlanta to purchase heroin. These individuals typically travel into the city every other day, purchase one gram of heroin for about \$160, then return to their suburban areas, where they abuse some of the drug and sell the remaining portion.

Other drugs such as GHB (gamma-hydroxybutyrate), khat, and MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy), pose low threats to the Atlanta HIDTA region. GHB is available at low levels throughout the region. Khat is transported via package delivery services into the region, where it is distributed and abused among African nationals living there. MDMA is moderately available in the region and is typically transported from Canada by Asian and Caucasian traffickers. Some distributors sell various chemical compounds, including BZP (N-benzylpiperazine) and TFMP (1-(3-trifluoromethylphenyl)piperazine) as MDMA, increasing risks to abusers who may not know what compound they are ingesting.

Drug Trafficking Organizations

Mexican DTOs continue to use the Atlanta HIDTA region as the leading drug distribution center and bulk cash consolidation center in the eastern United States. They are the principal wholesale drug distributors in the region, supplying most other midlevel and retail-level traffickers in the region, particularly African American, Caucasian, and Hispanic (including Dominican) distributors.

Mexican DTOs operating in the Atlanta HIDTA region consist of local independent distribution cells that typically use their familial connections in Mexico to obtain wholesale quantities of drugs and distribution cells that are part of drug cartels operating in Mexico, which include cartel-connected bulk cash coordinators. Independent distribution cells, comprising most of the Mexican DTOs operating in the Atlanta HIDTA region, are not affiliated with any specific cartel in Mexico. As long as members of independent distribution cells receive sufficient supplies of drugs, they are not concerned with which cartel in Mexico supplies the drugs. Nonetheless, several Mexican cartels operate in the region as evidenced by Project Coronado, a 2-year federal investigation that targeted members of La Familia Michoacána. (See text box.) Members of both independent cells and cartel-affiliated cells in Atlanta are increasingly recruiting into their distribution operations young men (typically in their early 20s) of Mexican descent who have been raised in the United States. Law enforcement officers report that the American upbringing of these men tends to make them more knowledgeable about American social norms, helping them to better conceal their drug trafficking activities from law enforcement.

Federal Investigation Targets La Familia Michoacána Operating in Atlanta

In October 2009, 11 alleged members of La Familia Michoacána, a large polydrug organization with cells in the Atlanta metropolitan area, were indicted in Georgia's Northern Judicial District. The Georgia investigation was part of a nationwide investigation targeting La Familia cells in Atlanta; Chicago, Illinois; Charlotte; and Dallas, Texas, that resulted in the arrest of more than 300 members of the organization in 15 states. According to the indictment, federal, state, and local law enforcement officials in Georgia seized more than \$1 million in U.S. currency, 800 pounds of marijuana, 5 kilograms of cocaine, 2 pounds of ice methamphetamine, and numerous assault weapons from stash houses in Clayton and Spaulding Counties.

Source: Drug Enforcement Administration; U.S. Attorney, Northern District of Georgia.

Mexican DTOs are decentralizing their drug stash house and distribution operations by moving to more rural areas in Georgia, North Carolina, South Carolina, and, increasingly, Alabama to avoid law enforcement pressure in the Atlanta HIDTA region. Mexican DTOs have begun to store cocaine in Birmingham and Montgomery before transporting it—in amounts required for immediate midlevel and retail-level distribution—to Atlanta. Mexican DTOs are moving their stash locations and seeking more rural locations because they perceive there are fewer law enforcement resources there to target them. In 2009, law enforcement officers dismantled a Mexican DTO operating out of Wayne County, North Carolina. Members of the organization transported 20 to 30 kilograms of cocaine per month from Mexico to North Carolina. Once the cocaine was in North Carolina, members packaged it into smaller quantities for distribution in drug markets in Florida, Georgia, and South Carolina.

Production

Local methamphetamine production and the conversion of methamphetamine oil^c or liquid methamphetamine^d into ice methamphetamine pose the greatest drug production threat to the Atlanta HIDTA region. Law enforcement reporting and laboratory seizure data indicate increasing methamphetamine production in the region, principally by Caucasian traffickers. According to National Seizure System (NSS) data, the number of methamphetamine laboratories seized in the region increased from 16 in 2008 to 26 in 2009; most of these laboratories were seized in North Carolina.^e (See Table A1 in Appendix A.) Increased production is attributed to the rising popularity of the one-pot production method and the abundance

- c. Methamphetamine oil is an unfinished product that needs to be converted into a usable powder or crystal through a chemical process.
- d. Liquid methamphetamine is powder methamphetamine that has been dissolved in water to disguise it and will return to a usable powder form once the water evaporates.
- e. Most methamphetamine abusers in North Carolina prefer to produce ounce quantities of methamphetamine for personal use and will purchase the drug from Mexican traffickers as a last resort.

of pseudoephedrine smurfing operations. Law enforcement organizations in Alabama, Georgia, North Carolina, South Carolina, and Tennessee plan to implement a multistate, electronic pseudoephedrine tracking database in 2010 to counter pseudoephedrine smurfing and increasing methamphetamine production.^f However, members of pseudoephedrine smurfing operations often use stolen and false identification to circumvent pseudoephedrine tracking laws.

Methamphetamine conversion laboratories in the Atlanta HIDTA region, operated by Mexican DTOs, finish the production cycle begun in Mexico. Methamphetamine oil or liquid methamphetamine is typically transported from Mexico through the Southwest Border area into the Atlanta HIDTA region, usually Cobb and Gwinnett Counties, where it is converted into ice methamphetamine. To illustrate, in October 2009, federal agents seized more than 174 pounds of ice methamphetamine from a methamphetamine conversion laboratory in Lawrenceville, Georgia. Mexican DTOs transport methamphetamine in oil and liquid form in an effort to avoid law enforcement detection. Methamphetamine oil and liquid can be easily concealed inside the windshield washer reservoirs and coolant reservoirs of certain vehicles, as well as in beverage containers such as juice and beer bottles. The presence of methamphetamine conversion laboratories in Atlanta is most likely due to Mexican DTOs using the region as a distribution center.

Most cannabis cultivated in the Atlanta HIDTA region is grown at outdoor sites. Many outdoor cannabis grow sites are secreted by traffickers on public lands and parks among other vegetation to hinder law enforcement detection and to prevent the seizure of private property if discovered. The number of cannabis plants eradicated from outdoor grow sites in Georgia and North Carolina decreased 28 percent from 2008 through 2009. (See Table 2.)

Eradication data and law enforcement reporting suggest that indoor cannabis cultivation is increasing in Georgia and North Carolina. According to Domestic Cannabis Eradication/Suppression Program (DCE/SP) data, the number of plants eradicated from indoor grows sites in Georgia and North Carolina increased more than 98 percent from 2008 (4,329 plants) through 2009 (8,575 plants).^g (See Table 2.) Some marijuana producers prefer to cultivate cannabis indoors to avoid law enforcement detection and to increase the quality of the marijuana produced. The controlled environment, combined with sophisticated growing techniques such as hydroponics, typically yields high-potency marijuana that commands a higher price than commercial-grade marijuana. In Atlanta, high-potency marijuana sold for \$3,000 to \$7,000 per pound and Mexican commercial-grade marijuana sold for \$400 to \$1,000 per pound in 2009. In March 2010, Atlanta law enforcement officers seized more than 700 cannabis plants, which would have produced an estimated \$1.2 million worth of high-potency marijuana, from an indoor grow site at an Atlanta residence.

Table 2. Cannabis Plants Eradicated at Outdoor and Indoor Grow Sites in Georgia and North Carolina, 2005–2009

	Outdoor					Indoor				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Georgia	27,067	64,995	11,851	47,607	43,880	642	1,610	9,585	2,840	5,836
North Carolina	68,491	99,379	15,115	103,711	64,555	2,391	2,110	1,253	1,489	2,739
Total	95,558	164,374	26,966	151,318	108,435	3,033	3,720	10,838	4,329	8,575

Source: Domestic Cannabis Eradication/Suppression Program.

f. North Carolina currently has pseudoephedrine tracking laws; however, the information is maintained in written logs at the point of sale.

g. Atlanta HIDTA officials report that fluctuations in the number of cannabis plants eradicated each year are frequently the result of available eradication resources and are not necessarily indicative of a change in the amount of cannabis cultivated.

Transportation

The Atlanta HIDTA region has a highly accessible transportation system, including major roadways that link it to the Southwest Border and major eastern U.S. drug markets. Drug traffickers routinely exploit this system to transport large quantities of powder cocaine, ice methamphetamine, and commercial-grade marijuana, as well as smaller quantities of heroin, into the region and bulk cash from the region.

Overland transportation in private, rental, and commercial vehicles is the most common method used to move illicit drugs and bulk cash proceeds into, through, and from the Atlanta HIDTA region. Most drugs are transported into the region using major interstate highways, particularly Interstates 10, 20, and 40. Bulk cash shipments from the sale of illicit drugs in eastern drug markets are consolidated in Atlanta and transported to Mexico along the same routes. Additionally, illicit drugs in relatively small quantities are regularly transported by passengers on commercial bus lines originating from the Southwest Border area. Commercial buses provide traffickers with a means to transport drugs and bulk cash that are typically placed in unmarked luggage so that couriers can disavow ownership of the contraband and not face arrest. Some traffickers, however, transport drugs and bulk cash on their person when traveling on commercial buses. For example, in February 2010, Houston police intercepted a Guadalajara, Mexico, resident who was traveling from Atlanta to Mexico aboard a commercial bus with \$50,000 in bulk cash sewn into his shorts.

Figure 2. Atlanta Metropolitan Area Transportation Infrastructure

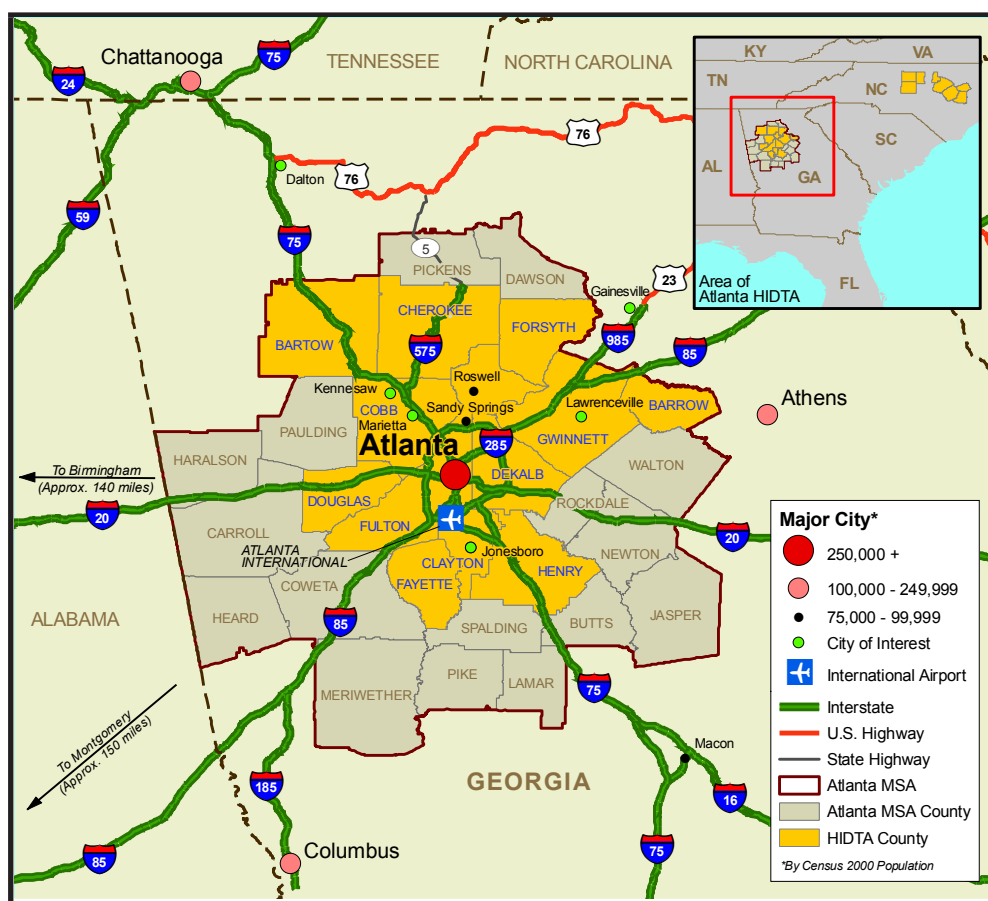
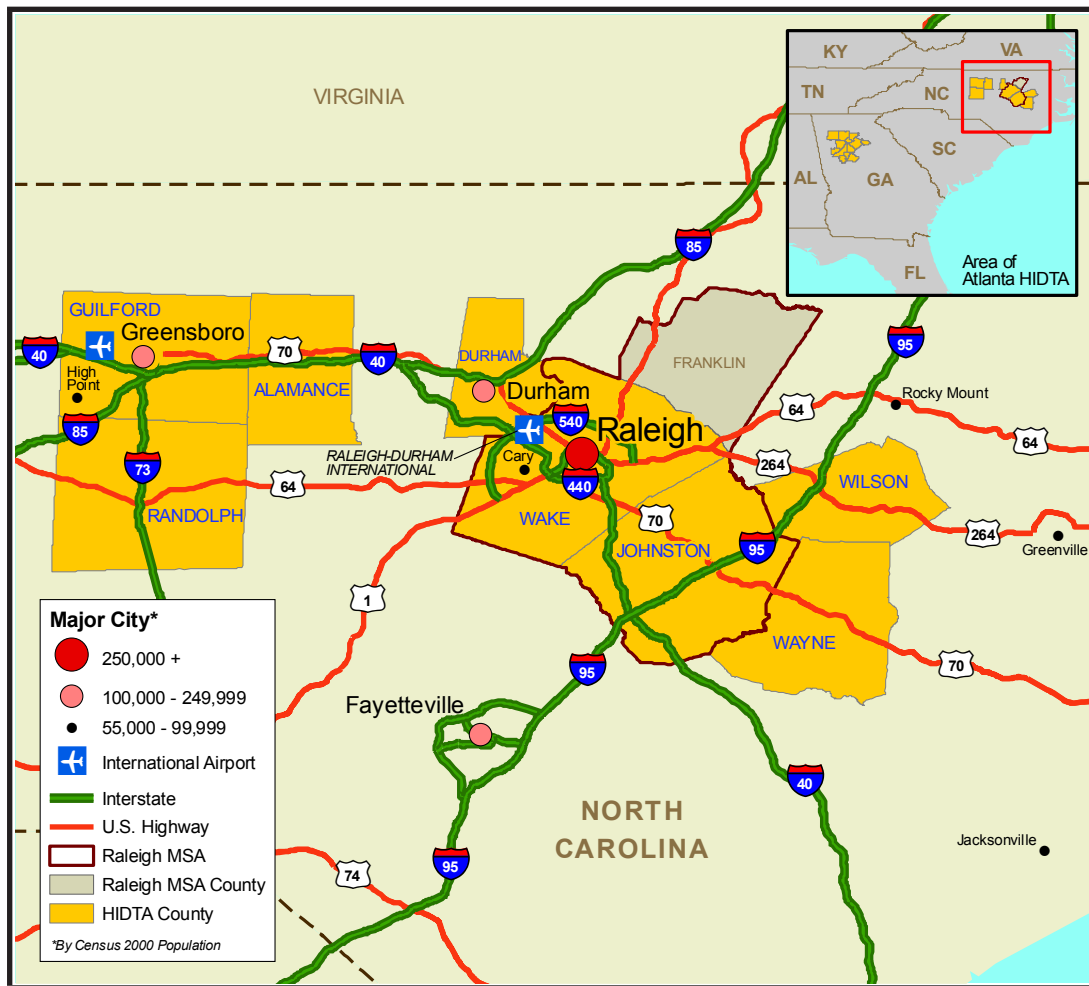


Figure 3. North Carolina Counties in the Atlanta HIDTA Transportation Infrastructure



Traffickers also use other methods to transport drugs into and through the region, including couriers on commercial flights and package delivery services. High-potency marijuana from the West Coast, usually northern California, is regularly transported to Atlanta by package delivery services. Package delivery services are also used to transport khat, MDMA, and, sometimes, cocaine, to Atlanta. Traffickers can track a package via the Internet and are quickly notified if the package has been delayed or seized by law enforcement. The Atlanta HIDTA region is also a transit area for drug shipments to other areas of the country. In January 2010, workers at a Clayton County shipping company identified four suspicious packages destined for residences in Delaware transiting through the Atlanta HIDTA region with fictitious sender addresses in Texas. The packages contained a combined 320 pounds of marijuana.

Distribution

Mexican DTOs use the Atlanta HIDTA region as the leading distribution center for powder cocaine, ice methamphetamine, commercial-grade marijuana, and Mexican heroin supplied in the region and many eastern U.S. drug markets. They supply these drugs to African American, Caucasian, and Hispanic (including Dominican) traffickers and to street gang members operating in the region as well as various traffickers operating in drug markets throughout the eastern United States. For example, the leaders of a cocaine distribution ring in Pittsburgh, Pennsylvania, who were arrested in December 2009, traveled to Atlanta on a monthly basis to obtain 10 to 15 kilograms of cocaine from a Mexican source. The individuals would then return to Pittsburgh and distribute the cocaine through several retail-level distributors.

Various traffickers distribute illicit drugs at the midlevel and retail level in the Atlanta HIDTA region. African Americans, Caucasians, and Hispanics (including Dominicans) are the principal midlevel and retail-level distributors in the region. African American traffickers distribute powder cocaine, crack cocaine, marijuana, MDMA, and heroin. Caucasian traffickers typically distribute methamphetamine, marijuana, CPDs, MDMA, and heroin at the retail level. Hispanic

traffickers distribute cocaine, methamphetamine, marijuana, and heroin. Retail-level drug distribution typically occurs from private residences, hotels, or at prearranged meetings in parking lots. In Atlanta, heroin distribution had historically been confined to a section of the city known as the Bluff.^h Within the past year, however, heroin has been increasingly distributed from residences, apartments, and hotels in other parts of the city.

Street gangs distribute significant amounts of cocaine and marijuana at the retail level in urban areas of the region, particularly southeast Atlanta. African American and Hispanic street gangs often generate revenue through multiple illegal activities, including drug trafficking. Most African American street gangs, such as 30 Deep and GMC (Get More Cash), are loosely organized, unaffiliated neighborhood gangs. The 30 Deep street gang is an African American gang concentrated in southeast Atlanta. Gang members frequently rob electronics and high-end clothing stores, then sell the stolen items and use that money to purchase drugs, which they sell at a profit. Hispanic street gangs, such as Sureños and Mara Salvatrucha (MS 13), are highly organized and maintain national and international affiliations. Street gang members typically distribute drugs from vehicles in parking lots and private residences.

Atlanta HIDTA counties in Georgia have the potential to become source areas for CPDs diverted for distribution in the Southeast. They are mainly supplied from the growing number of pain management clinics in the state. These pain management clinics are not associated with hospitals or drug treatment centers, do not accept insurance, and operate on a cash-only basis. Abusers from the region and surrounding states, who previously obtained CPDs from pain management clinics in Florida, are now obtaining these drugs from clinics in Atlanta HIDTA counties in Georgia.ⁱ For example, in March 2010, a pain management clinic, owned by businessmen from South Florida, opened in Kennesaw, Cobb County. The clinic quickly drew clientele from Kentucky, Tennessee, and Ohio, and within days, provided so many OxyContin prescriptions that local pharmacy workers complained to local law enforcement. The clinic was shut down within weeks of opening after a federal investigation in Florida into the owners' business practices. Nonetheless, signs promoting other pain management clinics are appearing in Cherokee and Clayton Counties, Georgia.

Pending Prescription Drug Legislation in Georgia

On April 29, 2010, the Georgia General Assembly passed Senate Bill 418 to establish a PDMP in Georgia. Georgia is the only state in the Southeast that does not have a PDMP, leaving the state vulnerable to the diversion of CPDs. The bill, if signed into law, would establish an electronic database of Schedule II, III, IV, and V substances that would be administered by the State Board of Pharmacy in consultation with members of the Georgia Composite Board. The bill does not provide funding for the PDMP, but authorizes the State Board of Pharmacy to apply for grants to fund the program. If signed by the governor, the bill will take effect on July 1, 2010.

Source: Georgia General Assembly.

Drug-Related Crime

Drug-related violent crimes and property crimes often occur within the Atlanta HIDTA region as distributors protect and expand their operations and abusers seek funds to sustain their addictions. Rivalries among street gang members also contribute to violent crime in the region. In March 2010, a grand jury indicted 26 alleged members of MS 13 on 29 counts of racketeering, murder, attempted murder, kidnapping, and robbery. Specifically, 16 of the alleged gang members indicted are accused of killing four rival gang members, two robbery victims, and one fellow gang member. Moreover, according to NDTS 2010 data, 30 of the 61 law enforcement agency respondents in the region identify crack cocaine as the drug that most contributes to violent crime, and 33 identify the same for property crime.

Criminal groups that impersonate law enforcement personnel while committing robberies are a serious problem in the Atlanta HIDTA region. African American, Caucasian, or Hispanic drug traffickers form "robbing crews" that target rival traffickers to steal their drugs or drug proceeds. Once crew members gain entry to a residence or stash house by impersonating police officers, they typically tie up their victims, steal the drugs and money, and take the victims' cell phones and vehicles so that the victims cannot immediately notify genuine law enforcement officials or others in their organization.

h. The Bluff is a small open-air drug market north of the Georgia Dome, which has been Atlanta's primary heroin market.

i. In July 2009, Florida enacted a law establishing a PDMP. The law requires that pain management clinics register with the Department of Health and that state medical and osteopathic medicine boards set standards of practice for all physicians and osteopaths who prescribe controlled substances from those clinics.

Abuse

Crack cocaine and methamphetamine pose the greatest drug abuse threat to the Atlanta HIDTA region because of the highly addictive nature of the drugs. According to data from the Georgia Department of Behavioral Health and Developmental Disabilities, cocaine is the illicit drug most often mentioned as the primary, secondary, or tertiary substance problem in treatment admissions to publicly funded facilities in Atlanta HIDTA counties in Georgia. (See Table 3.) Law enforcement officials report that methamphetamine abuse is rising, particularly in southeast sections of Atlanta and within the homosexual community. Heroin abuse is generally low but growing throughout the region. Law enforcement officers characterize the abuse of marijuana as high to moderate.

**Table 3. Primary/Secondary/Tertiary Substance Problem at Admission
Atlanta HIDTA Counties in Georgia, State Fiscal Year (SFY) 2007–2009***

Primary/Secondary/Tertiary Substance Problem at Admission	SFY 2007	SFY 2008	SFY 2009
Cocaine (Powder and Crack)	3,658	3,424	3,389
Heroin/Morphine	305	294	444
Marijuana/Hashish/THC (delta-9-tetrahydrocannabinol)	2,968	2,837	3,087
Methamphetamine/Speed	569	443	502
All Other Substances, Excluding Alcohol	2,048	1,972	1,377

Source: Georgia Department of Behavioral Health and Developmental Disabilities, Division of Addictive Diseases.

*This table includes only those admissions to services funded or operated by the Georgia Department of Behavioral Health and Developmental Disabilities (and its predecessor organization) and does not include admissions to services of any other providers, public or private. This is a duplicated count of admissions during the SFY, where the primary, secondary, or tertiary “substance problem at admission” was the substance shown. A single admission may be counted in as many as three categories per admission.

CPD abuse is widespread and is associated with a significant number of overdose deaths in Georgia. The GBI Medical Examiner’s Office reported that prescription drugs accounted for more drug overdose deaths than any other substance in Georgia in 2008. Of the 638 drug overdose deaths reported in Georgia in 2008, 543 involved prescription drugs or combinations of illicit and prescription drugs and alcohol.^j The most commonly abused CPDs are alprazolam (Xanax), carisoprodol (Soma),^k hydrocodone (Vicodin), methadone, and oxycodone (OxyContin).

Illicit Finance

Bulk cash transportation represents the principal illicit financial threat in the Atlanta HIDTA region. Millions of dollars in bulk cash are transported each week from U.S. drug markets to relatively few consolidation areas such as Atlanta, where Mexican DTO bulk cash cell leaders take direct control of the money. In fact, the Atlanta area is the principal bulk cash consolidation center for Mexican DTOs operating in the eastern United States. Because Atlanta is between major eastern drug markets and the Southwest Border, bulk cash is transported to stash houses in Atlanta, as well as a number of counties in northern Georgia, from across the southeastern United States and from as far away as New York City. For example, in March 2010, West Memphis, Arkansas, police officers stopped a tractor-trailer westbound on I-40 and discovered more than \$1.8 million in bulk cash in the passenger cabin. The driver, a citizen of Mexico, and the passenger, a Hispanic resident of California, claimed to be traveling from New Jersey to Los Angeles via Atlanta. In 2009, Atlanta HIDTA initiatives seized more than \$29 million in bulk cash.

Traffickers use other methods to move and launder illicit drug proceeds in the Atlanta HIDTA region. Money services businesses, such as money remitters and check-cashing businesses, are used by traffickers to launder illicit drug proceeds. These businesses allow customers to move proceeds outside the United States with relative anonymity in amounts below the

j. The GBI Medical Examiner’s Office data does not include Fulton, Cobb, Gwinnett, DeKalb, Henry, Hall or Rockdale Counties.

k. Carisoprodol is not controlled under the federal Controlled Substance Act of 1970; however, it is scheduled under state law in Alabama, Arizona, Arkansas, Florida, Georgia, Hawaii, Indiana, Kentucky, Louisiana, Massachusetts, Minnesota, Nevada, New Mexico, Oklahoma, Oregon, Texas, and West Virginia.

threshold set by the Bank Secrecy Act. Traffickers also purchase small, cash-based businesses such as car washes, clothing stores, and hair and nail salons that they use to commingle illicit proceeds with legitimate funds. In addition, many traffickers launder drug proceeds through the purchase of luxury items such as jewelry, expensive vehicles, real estate, and prepaid (stored value) cards.

Outlook

Mexican DTOs will continue to dominate wholesale drug distribution in and from the Atlanta HIDTA region. No other trafficking group appears to have the sources of supply or organizational structure to challenge them. Mexican distribution cells will increasingly locate their drug stash houses in rural areas to avoid law enforcement pressure. NDIC analysts expect that Mexican DTOs will transition from distribution cells concentrated in the Atlanta metropolitan area into a network of cells operating throughout Alabama, Georgia, North Carolina, and South Carolina. Mexican DTO bulk cash cell leaders in the region will continue consolidating bulk cash from U.S. drug markets in the Atlanta area. Some of the bulk cash cells are expected to move cash consolidation operations to more rural areas to avoid law enforcement pressure.

NDIC analysts expect cocaine to remain available at adequate levels to meet demand in the Atlanta HIDTA region over the next year. Cocaine abuse is expected to remain stable at high levels throughout the region.

Methamphetamine production is expected to increase in the region in the next 12 to 18 months. NDIC analysts also expect that pseudoephedrine smurfing organizations will use stolen and false identification to circumvent pseudoephedrine tracking laws that will be implemented in the region in 2010.

NDIC analysts anticipate that Atlanta HIDTA counties in Georgia will become source areas for CPDs diverted for distribution throughout the southeastern United States unless statewide legislation aimed at curbing diversion is successfully implemented.

Appendix A. Table

Table A1. Methamphetamine Laboratories Seized in Atlanta HIDTA Counties, 2005–2009

	2005	2006	2007	2008	2009
<i>Georgia (all counties)</i>	204	111	52	62	71
HIDTA Counties in Georgia	30	14	6	7	4
Barrow	1	1	0	1	0
Bartow	15	3	0	0	1
Cherokee	1	2	1	2	1
Clayton	1	0	0	0	0
Cobb	11	5	3	1	1
DeKalb	0	0	0	0	0
Douglas	0	2	0	1	0
Fayette	0	0	0	0	0
Forsyth	0	0	2	1	0
Fulton	0	0	0	0	1
Gwinnett	1	1	0	1	0
Henry	0	0	0	0	0
<i>North Carolina (all counties)</i>	174	88	70	91	91
HIDTA Counties in North Carolina	12	11	9	9	22
Alamance	0	0	0	0	1
Guilford	0	1	0	0	1
Durham	0	0	0	0	0
Johnston	5	4	5	5	4
Randolph	3	3	1	1	1
Wake	2	2	2	2	3
Wayne	2	1	1	1	11
Wilson	0	0	0	0	1
Atlanta HIDTA (all counties)	42	25	15	16	26

Sources

Local, State, and Regional

Georgia

Atlanta Police Department
 Clayton County Police Department
 Gang Violence Task Force
 Clayton County Sheriff's Office
 Cobb County Police Department
 DeKalb County Police Department
 Narcotics Unit
 DeKalb County Sheriff's Office
 HIDTA Task Force
 Gwinnett County Police Department
 Marietta Police Department
 Marietta, Cobb, Smyrna Narcotics Unit
 State of Georgia
 Drugs and Narcotics Agency
 General Assembly
 Georgia Bureau of Investigation
 Investigative Division
 Georgia Department of Human Resources
 Division of Mental Health
 Developmental Disabilities and Addictive Diseases
 Georgia State Highway Patrol
 State Board of Pharmacy
 Smyrna Police Department
 Organized Crime Unit Narcotics

North Carolina

Cary Police Department
 Durham County Sheriff's Office
 Durham Police Department
 Garner Police Department
 Goldsboro Police Department
 Greensboro Police Department
 Holly Springs Police Department
 Johnston County Sheriff's Office
 Kenly Police Department
 North Carolina Department of Health and Human Services
 Division of Mental Health, Developmental Disabilities and
 Substance Abuse Services
 North Carolina Department of Justice
 North Carolina State Bureau of Investigation
 Raleigh Police Department
 Selma Police Department
 Wake County Sheriff's Office
 Wayne County Sheriff's Office
 Wilson County Sheriff's Office
 Wilson Police Department

Federal

Executive Office of the President
 Office of National Drug Control Policy
 High Intensity Drug Trafficking Areas
 Atlanta
 Gulf Coast
 Southwest Border
 West Texas Region
 U.S. Department of Commerce
 U.S. Census Bureau
 U.S. Department of Health and Human Services
 U.S. Department of Homeland Security
 U.S. Customs and Border Protection
 U.S. Immigration and Customs Enforcement
 Blue Lightning Operations Center
 U.S. Department of Justice
 Drug Enforcement Administration
 Atlanta Division
 Charlotte District Office
 Domestic Cannabis Eradication/Suppression Program
 El Paso Intelligence Center
 National Clandestine Laboratory Seizure System
 National Seizure System
 Federal Bureau of Investigation
 U.S. Attorneys Office
 Eastern District of Tennessee
 Northern District of Georgia
 Western District of North Carolina

Other

Atlanta Journal-Constitution

Questions and comments may be directed to
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