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Opening Statement of Ranking Member Chuck Grassley
Senate Committee on Finance Hearing
Breaking the Methamphetamine Supply Chain: Meeting Challenges at the Border
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Thank you all for joining us today as we continue to discuss methamphetamine and the problems associated with this terrible drug. For years, we've heard countless stories of individuals impacted by meth, either as users or members of the larger community tasked with repairing the damage meth use inflicts on our society. In addition to the immediate impact of meth use on families and particularly children, it also strains the resources of the multitude of government agencies forced to respond. Agencies ranging from those charged with caring for the children of meth addicts to those who enforce the law continue to spend significant resources, and by resources I mean taxpayer dollars, responding to the production and use of meth.

The terrible stories of meth use are all too real, and as a senator from a rural state, I can attest to the disproportionate impact the meth problem has had on rural America, and to the impact it is having and will have on the rest of the country as meth use continues to spread.

That said, we've had some success in the last few years in reducing the domestic supply of meth. For example, the Combat Methamphetamine Act (Combat Meth Act) passed by Congress just a few years ago, has made a real difference by restricting the sale of the precursor chemicals used to manufacture meth and cutting off the supply of pseudoephedrine or PSE, the main active ingredient in meth.

The Combat Meth Act gave new federal tools to prosecutors to get meth cooks and traffickers off our streets. It provided vital resources to state and local law enforcement officials who are on the front lines fighting the meth problem. Finally, it provided funding for the families and children affected by meth.

These new tools have paid off. Since Combat Meth, we've seen a dramatic decrease in the number clandestine meth labs and large "super labs" across the country. Pharmacies and retail stores have moved products containing PSE behind the counter, and purchasers are now required to show photo identification and sign a log book to purchase these products.

In Iowa, this has proven to be particularly effective. Meth lab incidents have decreased from about 1,500 in 2004 when the Iowa PSE law went into effect to just 89 through July 31st of this year. While this is significant progress, it doesn't mean our meth problem has been eliminated or that we should be lulled into a false sense of security. In fact, a recent National Association of Counties survey stated that almost half of all county sheriffs surveyed said that meth continues to be the number one drug problem. What is clear is that while Combat Meth has made an impact, we must remain vigilant in the fight against meth, and examine areas where the Combat Meth Act can be improved upon.

For instance, one area that can be improved is updating the logbook requirements to allow for

electronic records to allow for more effective monitoring of PSE sales. Currently, the Combat Meth Act only requires retailers to keep paper records that are time consuming for law enforcement to search through. That has led to a phenomenon known as “smurfing,” where meth cooks visit multiple stores or provide false information to obtain enough PSE to make meth.

Recently, I’ve joined Senator Durbin to close this “smurfing” loophole. The Methamphetamine Production Prevention Act of 2007 would amend the Combat Meth Act to allow for electronic logbook systems, and create a federal grant program for states looking to create or enhance existing electronic logbook systems.

Furthermore, we need to make sure that when we close one door for meth production, we don’t open another. In fact, one of the biggest problems with meth today is the importation of high quality foreign meth produced outside our country and smuggled over our borders.

There have been countless reports about international drug trafficking cartels producing meth and transporting it into the United States. Further, we’re hearing from law enforcement that this foreign meth is stronger and more potent than domestically produced meth, leading to increased overdoses and deaths. I’m concerned that this new stronger meth is now on our streets, filling the void created by the successes of shutting down domestic meth production.

For instance, it is currently estimated that over 80 percent of the meth on the streets of Iowa comes from Mexico, where it is being produced in super labs controlled by the Mexican drug cartels. One disturbing example from my state was a recent bust in Des Moines, Iowa. This bust occurred as part of an Organized Crime Drug Enforcement Task Force sting operation where 17 illegal immigrants from Mexico were recently caught with over 20 pounds of meth and over \$500,000 in cash.

We know from experience that these cartels are ruthless and will stop at nothing to push their deadly products onto U.S. streets. This bust is just further evidence that meth is coming in from our borders and if they are getting it to Iowa, they are getting it to the rest of the country. This is the new face of meth in America.

To address this growing concern, we have witnesses here today that who discuss what we are doing at our borders to stop meth from getting in. I’m interested to hear what they have to say and whether they believe there is more Congress needs to do to address the problems of foreign-produced meth.

For years we have dealt with the problem of drugs being imported across our southern border, but I want to be sure that we are using all our resources to effectively fight the trafficking of foreign meth. Further, I want to make sure that the administration is doing everything within its diplomatic powers to work with foreign governments to stop this deadly drug from being produced. President Calderon has been very tough on the drug traffickers since taking office, sending Mexican military and police officers into key areas of the country to combat the drug cartels.

I strongly encourage the Administration to provide Congress with the details of the U.S.-Mexico counter-narcotics agreement as soon as possible. We must keep the pressure on the cartels from all fronts.

I also look forward to the testimony of Gary Kendell who is the Director of the Iowa Governor's Office of Drug Control Policy. I want to thank Mr. Kendell for taking the time to tell us about the effects of meth and the Combat Meth Act in Iowa.

So, we’ve got a lot of interesting testimony that will be presented to us today. Thank you all for joining us, and thank you, Chairman Baucus, for holding this important hearing.