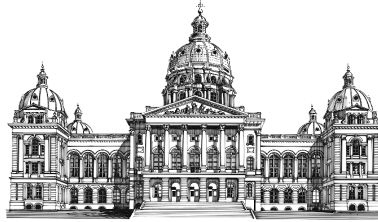

Iowa Legislative Services Agency

Fiscal Services

Dennis Prouty
(515) 281-5279
FAX 281-8451



State Capitol
Des Moines, IA 50319
October 5, 2004

Methamphetamine Laboratories

ISSUE

This *Issue Review* examines methamphetamine (meth) lab seizure reporting at the State and federal levels, federal funding received by Iowa, and the methods the State has used to limit the use, manufacture, and distribution of methamphetamine.

AFFECTED AGENCIES

Governor's Office of Drug Control Policy
Department of Public Safety, Division of Narcotics Enforcement (DNE)

CODE AUTHORITY

Chapter 124, Code of Iowa

BACKGROUND

Methamphetamine has become an increasing problem in Iowa over the last 10 years. Meth is a central nervous stimulant that can be smoked, snorted, injected, or administered orally. Meth manufacturers use common ingredients, such as over-the-counter cold medicine (pseudoephedrine), ephedrine, red phosphorous, hydrochloric acid, iodine, ether, alcohol, lye, and anhydrous ammonia to create methamphetamine. The waste products created from the process are a toxic health hazard to people and the environment.

A typical meth lab generates between two and three grams of methamphetamine at one time. According to the Division of Narcotics Enforcement, the street value of one pound of meth ranges from \$5,000 to \$7,000, with a gram costing approximately \$100. The average purity of the drug on the street is approximately 24.0%.

Meth made with anhydrous ammonia is up to 80.0% pure. "Ice," which is a purer form of meth, is up to 91.0% pure, and sells for between \$15,000 and \$17,000 per pound.

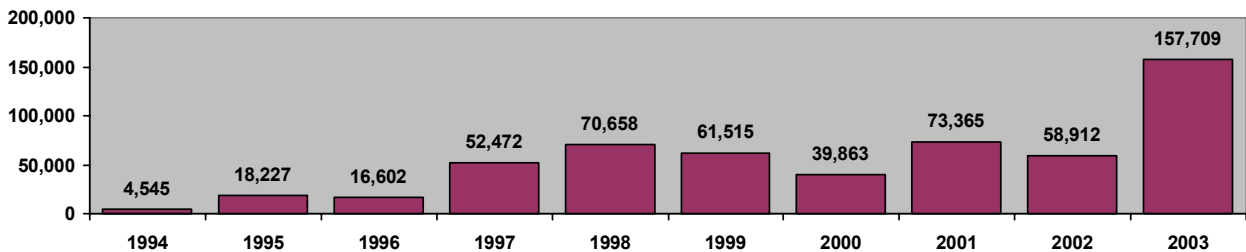
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CURRENT SITUATION

In calendar year (CY) 2003, Iowa law enforcement officers seized 158,000 grams or 352 pounds of meth. **Table 1** illustrates the amounts of meth seized between CY 1994 and CY 2003 for each year.

Amounts of Meth Seized in Iowa, CY 1994–2003 (Iowa DPS)



58,912 grams = 131.5 pounds of meth 157,709 grams = 352.02 pounds of meth

As of August 2004, there were 823 meth labs seized in Iowa during 2004, an increase of 201 labs (32.0%) compared to the same period in 2003. The percentage of drug treatment clients citing meth as the primary substance of abuse in 2003 rose to an all-time high of 14.9%. In CY 2003, Iowa ranked third (1,289) in the number of meth lab incidents and second (one per 2,275 people) in per capita meth lab incidents. On average, in CY 2003, Iowa law enforcement agencies responded to more than three and a half meth lab incident reports each day. **Attachment A** shows the top five meth producing States in the nation for CY 2003 based on lab count and per capita meth labs. As of August 2004, Missouri ranked number one in meth incidents and Iowa ranked number two overall in the nation.

Other States

According to the National Conference of State Legislatures (NCSL), 27 states have restrictions on the sale of pseudoephedrine and 31 states have restrictions on the possession of pseudoephedrine. During the 2004 Legislative Session, Iowa enacted a law regarding the possession and sale of sole ingredient pseudoephedrine (see HF 2259 below). Oklahoma was the first state in the nation to enact a law in 2004 making pseudoephedrine a Schedule V controlled substance. A Schedule V controlled substance is a non-prescription drug that is dispensed or administered to the purchaser by a pharmacist. The purchaser must be at least 18 years of age, present a photo I.D., and their name, address, date, and amount of purchase is maintained by the pharmacist in a bound record book.

2004 Iowa Legislation

House File 2150 (Child Endangerment/Controlled Substances Act) expanded the crime of child endangerment to include situations in which a person permits the presence of a child at a location where methamphetamine or related substances are being illegally manufactured, or where the substances are possessed. Punishment for this offense is a Class D felony. Over a two-year period (FY 2002 and FY 2003), there were 958 child victims of abuse due to parents manufacturing methamphetamine or possessing precursors.

House File 2259 (Pseudoephedrine, Restricted Access I Act) prohibits retailers from selling and persons from buying more than two packages of pseudoephedrine in one transaction. The Act also regulates the display of pseudoephedrine products by retailers and requires retailers to post a notice of the law that limits the sale and purchase of the products. **Attachment B** is a list of products that contain pseudoephedrine as the sole, active ingredient.

Senate File 2101 (Precursor Substances and Other Products: Intent Act) made technical changes in regard to receiving a precursor substance or possessing a product to be used in the unlawful manufacture of a controlled substance. The violations were changed from intent "to use," to intent that the product or substance "be used."

Standardized Reporting

For CY 2003, there were 1,155 meth lab seizures reported to the Iowa Division of Narcotics Enforcement (both State and local), while at the federal level there were 1,289 seizures in Iowa reported for the same time period (as of August 23, 2004). There are multiple jurisdictions involved in the reporting process (local, county, State, and federal), while some information bypasses State agencies and is reported directly to the federal government. The Division of Narcotics Enforcement does not have the authority to have all meth lab seizures funneled through the Agency because Iowa does not require standardized reporting. **Attachment A** provides a map of meth lab seizures by county.

The El Paso Intelligence Center's (EPIC) data may be revised at any time because there are no reporting deadlines for agencies. Federal funding is based on the EPIC numbers. Complete and accurate reporting to EPIC is necessary for Iowa to receive the State's fair share of federal funding from the U.S. Department of Justice.

The General Fund appropriation for the Division of Narcotics Enforcement for FY 2004, excluding the Intelligence Bureau, was \$3.4 million. Federal funding received by the Division was \$2.1 million, which is approximately 38.7% of the Division's budget.

BUDGET IMPACT

On July 1, 2004, the Governor's Office of Drug Control Policy announced federal funds totaling approximately \$5.0 million will be made available to State and local agencies for 53 drug enforcement, drug treatment, and drug/crimes prevention programs. The funding is available through the Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Grant Program. The grants require a 25.0% cash match. A detailed list of recipients is available from the Legislative Services Agency upon request.

Federal Funding

Iowa's FFY 2004 Byrne appropriation was 3.0% below the FFY 2003 funding level. The FFY 2004 Local Law Enforcement Block Grant FFY 2004 funding was 57.0% less than FFY 2003. Both grants have been combined into a new Justice Assistance Grant. The formula for this grant is 50.0% population based and 50.0% violent crime based. Currently, the Governor's Office of Drug Control Policy estimates that the total funding for FFY 2005 will be reduced by 37.0% compared to FFY 2004 funding levels.

Response and Disposal

One pound of meth produced creates five to six pounds of toxic waste. The average cost to clean up one meth lab site is approximately \$800. (This includes agent time, overtime, and travel). Local law enforcement does not receive any direct funds for meth lab clean-up. The DNE pays for officer overtime and supplies and the federal Drug Enforcement Administration (DEA) pays for the removal and disposal of the materials. Meth lab expendables such as suits and gloves are paid from federal funds.

The DNE also oversees the clandestine laboratory task forces in Iowa and handles the reimbursement for six full-time officers in the South Central Iowa Clandestine Laboratory Enforcement Task Force and the six full-time officers in the Eastern Iowa Clandestine Laboratory Task Force, along with the part-time officers from both task forces. Each of the two meth lab task forces cover an 18 county area. The Governor's Office of Drug Control Policy supports the meth lab response teams through a methamphetamine HOTSPOTS grant totaling approximately \$1.5 million for the investigation and removal of meth labs in these areas.

The HOTSPOTS grant also includes funding for personnel, overtime, training, operations, equipment, and supplies. The grant also covers the cost of hazardous material disposal for meth lab evidence submitted to the Division of Criminal Investigation (DCI) State crime lab for analysis.

Once evidence has been analyzed and a drug case is closed, the DCI lab does not have storage space to maintain old meth lab evidence. The DNE pays to have a clean-up company pick up clandestine laboratory evidence from the lab four times per year. The cost for this service is \$3,000 each time and the total cost paid from the federal HOTSPOTS grant is \$12,000.

Correctional Impact

During the 1999 Legislative Session, Iowa enacted legislation that provided for a minimum 10-year and up to 99-year sentence for conspiring to manufacture or deliver methamphetamine and related substances. The law gave the Judicial Branch discretion to impose community-based treatment under the Drug Court Program for first time offenders, but provides that the mandatory minimum sentence must apply to second and subsequent offenses. In FY 2004, there were 3,450 total admissions to prison. Of the total admissions, 1,113 (32.3%) were for drug offenses under Chapter 124, Code of Iowa, of which approximately 700 of the 1,113 admissions (62.2%) were for meth. Meth was the lead offense for approximately 20.3% of all the FY 2004 admissions.

ALTERNATIVES

The General Assembly may wish to consider the following:

Schedule V Controlled Substance Changes

Sole ingredient pseudoephedrine was addressed by the 2004 General Assembly. The General Assembly may wish to consider restrictions on multiple ingredient pseudoephedrine products in the future. The Governor's Office of Drug Control Policy conducted a study of the 2003 meth lab statistics and found that 32.7% of the pseudoephedrines used to manufacture meth were multiple ingredient pseudoephedrines. Other alternatives to consider may be making pseudoephedrine a Schedule V controlled substance as was done by the state of Oklahoma; mandating the completion of crime incident reports to the Department of Public Safety as the state of Missouri did; and standardizing meth lab clean-ups for property owners. Another alternative may be to expand the

drug endangered child initiative in the Attorney General's Office. Pilot projects exist in Dubuque, Appanoose, and Polk counties.

Home Rule

The city of Hazelton implemented a city ordinance that imposes controls on the sale of methamphetamine precursors. Hazelton's ordinance requires the purchaser to show a photo I.D. and to provide a name and address in a log accessible to local law enforcement officers. The Attorney General's Office issued an opinion in June 2004, regarding local ordinances placing stronger controls on the sale of products containing pseudoephedrine and other meth precursors. The opinion stated that Hazelton's requirement represents a legitimate exercise of the city's home rule power and is not preempted by State law.

Anhydrous Ammonia Tank Locks Pilot Program

Tank locks are another alternative to assist in the reduction of methamphetamine manufacturing. The locks are manufactured in Humboldt, Iowa, and cost approximately \$43. The Tank Lock Pilot Program started in 2003. During the same year, Iowa received a \$200,000 federal grant that allowed 26 counties to place locks on anhydrous ammonia nurse tanks. For 2004, \$300,000 has been earmarked for Iowa, which will allow an additional 28 counties to receive locks. In addition to these federal funds, a grant was provided by the Iowa West Foundation to purchase locks for Pottawattamie, Harrison, and Mills counties.

Anhydrous Ammonia Additive

Iowa State University has developed an additive that can be mixed into anhydrous ammonia that renders the anhydrous ineffective for manufacturing methamphetamine. All tests of the additive by the Iowa Division of Criminal Investigation and the U.S. Drug Enforcement Administration (DEA) have been positive. Once testing is complete, officials will begin work on an implementation plan. Approximately 95.0% of Iowa meth labs use anhydrous ammonia.

STAFF CONTACT: Jennifer Acton (Ext. 17846)

2003 U.S. Clandestine Meth Lab Incident Analysis

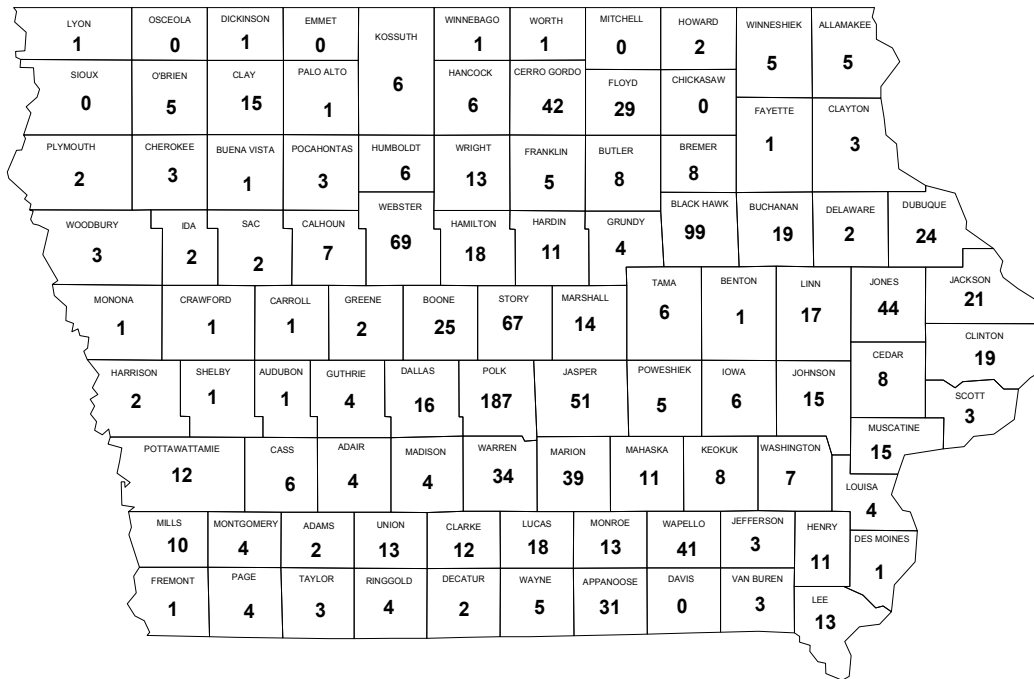
(Based on Census Bureau estimates & EPIC data among states reporting at least 1,00 lab incidents)

State	2003 U.S. Census Population	2003 EPIC Meth Lab Incidents	2003 EPIC Lab Count Ranking	2003 Per Capita Meth Labs
Missouri	5,704,484	1	1 per 1,984	1
Iowa	2,944,062	3	1 per 2,275	2
Oklahoma	3,511,532	4	1 per 3,351	3
Indiana	6,195,643	5	1 per 6,153	4
California	35,484,453	2	1 per 26,801	26

Source: Iowa Governor's Office of Drug Control Policy 4-2-04

Methamphetamine Seizures by County

(January, 1 2003 through December 31, 2003)



El Paso Intelligence Center National Clandestine Laboratory Seizure System Report
 The overall number of meth lab incidents in Iowa was 1,289 ranking Iowa with the third largest number of meth labs in the nation for 2003.



STATE OF IOWA

THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

OFFICE OF DRUG CONTROL POLICY
MARVIN L. VAN HAAFTEN, DIRECTOR

Effective July 1, 2004, and in an effort to curb the illegal manufacture of methamphetamine, Iowa law (HF 2259) imposes a two package retail transaction limit on over-the-counter cold and allergy products containing pseudoephedrine as their "sole active ingredient." The law also requires these products to be displayed for sale (a) behind a counter, (b) within 20 feet of a counter that allows an attendant to view the products, or (c) with the use of an antitheft device system. The law further requires retailers to post a notice at the location where such products are sold stating "Iowa law prohibits the sale or purchase of more than two packages containing pseudoephedrine as the sole active ingredient."

According to the Iowa Board of Pharmacy Examiners, the following products contain pseudoephedrine as their "sole active ingredient," and are subject to the new Iowa law. This list may not be inclusive of all products, including many store-brand/generic versions. Please consult package labeling for each product.

Balminil Decongestant Syrup *
Benylin Decongestant
Cenafed
Chlor-Trimeton Non-Drowsy Decongestant 4 Hour
Decofed
Dimetapp Decongestant
Dimetapp Decongestant Pediatric Drops
Dimetapp Maximum Strength 12-Hour Non-Drowsy Extentabs
Drixoral N.D. *
Drixoral 12-Hour Non-Drowsy Formula
Drixoral Nasal Decongestant
Efidac/24
Eltor 120 *
Genaphed
Maxenal *
Myfedrine
PediaCare Infants' Oral Decongestant Drops
Pseudo
Pseudo 60's
Robidrine *
Simply Stuffy
Sinustop
Sudafed
Sudafed 12 Hour
Sudafed Children's Nasal Decongestant Liquid Medication
Sudafed Decongestant
Sudafed Decongestant 12 Hour *
Sudafed Decongestant Extra Strength *
Triaminic AM Decongestant Formula
Triaminic Infant Oral Decongestant Drops

*These products appear to be available in Canada but not in the U.S.

(Source: Volume I of the "USP-DI, Drug Information for the Health Care Professional," 2002 Edition).