

Union Calendar No. 431

95TH CONGRESS }  
1st Session }

HOUSE OF REPRESENTATIVES

{ REPORT  
No. 95-841

ANNUAL REPORT  
FOR THE YEAR 1977

OF THE

X  
SELECT COMMITTEE ON NARCOTICS

ABUSE AND CONTROL

NINETY-FIFTH CONGRESS

FIRST SESSION

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JANUARY 3, 1978.—Committed to the Committee of the Whole House  
on the State of the Union, and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

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WASHINGTON : 1977

## SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

LESTER L. WOLFF, New York, *Chairman*

PETER W. RODINO, Jr., New Jersey	J. HERBERT BURKE, Florida
PAUL G. ROGERS, Florida	TOM RAILSBACK, Illinois
E (KIKA) DE LA GARZA, Texas	LOUIS FREY, Jr., Florida
JAMES R. MANN, South Carolina	ROBIN L. BEARD, Tennessee
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### *Ex Officio*

MARIO BIAGGI, New York  
CARDISS COLLINS, Illinois  
STEPHEN L. NEAL, North Carolina  
JOE SKUBITZ, Kansas

### COMMITTEE STAFF

JOSEPH L. NELLIS, *Chief Counsel*  
WILLIAM G. LAWRENCE, *Chief of Staff*

### PROFESSIONAL STAFF

DONNA M. ALVARADO, <i>Professional Staff Member</i>	DANIEL F. LEONARD, <i>Investigator</i>
CHARLES A. ANDERSON, <i>Staff Counsel</i>	JOHN W. PEPLOE, <i>Investigator</i>
ALMA E. BACHRACH, <i>Investigator</i>	DAVID PICKENS, <i>Project Officer</i>
CHERYL A. BADEY, <i>Research/Financial Staff Member</i>	BONNIE G. SANFORD, <i>Research Assistant</i>
SAMUEL J. BAPTISTA, <i>Professional Staff Member</i>	DAVID SANDLER, <i>Staff Counsel</i>
TONI P. BIAGGI, <i>Research Assistant</i>	PAUL M. SNYDER, <i>Research Assistant</i>
ELLIOTT A. BROWN, <i>Professional Staff Member</i>	DANIEL A. STEIN, <i>Research Assistant</i>
ANDREW D. DUSKIE, <i>Professional Staff Member</i>	DOREEN E. THOMPSON, <i>Staff Counsel</i>
	THOMAS H. VOGEL, <i>Professional Staff Member</i>
	S. HOWARD WALLACE, <i>Staff Counsel</i>

### CLERICAL STAFF

KAREN E. ANDREWS, <i>Secretary</i>	PATRICIA E. SHREVE, <i>Receptionist</i>
JEANNINE G. COURNEY, <i>Secretary</i>	CAROLE A. URBANSKE, <i>Secretary</i>
JEAN MALIA ORQUE, <i>Secretary</i>	WENDY J. WINKER, <i>Secretary</i>

### DETAILED STAFF

Dr. MICHAEL BACKENHEIMER, *National Institute on Drug Abuse*  
WILLIAM HILL, *General Accounting Office*  
ARTHUR LOEWY, *Government Printing Office*  
LOUIS WILLIAMS, *Government Printing Office*

(II)

NCJRS

JUL 19 1979

LETTER OF SUBMITTAL  
ACQUISITIONS

U.S. HOUSE OF REPRESENTATIVES,  
SELECT COMMITTEE ON  
NARCOTICS ABUSE AND CONTROL,  
*Washington, D.C., January 3, 1978.*

HON. EDMUND L. HENSHAW, Jr.,  
*Clerk of the House of Representatives,*  
*Washington, D.C.*

DEAR MR. HENSHAW: We are pleased to submit the enclosed report entitled "Annual Report for the Year 1977 of the Select Committee on Narcotics Abuse and Control, 95th Congress, First Session."

This report is in accordance with House Resolution 77, section 6(b) requiring an annual report to the House which includes a summary of the activities of the select committee during the calendar year to which the report applies.

Accordingly, we submit the enclosed as incorporating our report in compliance with the above resolution.

Respectfully submitted.

LESTER L. WOLFF, *Chairman.*

(III)

# CONTENTS

	Page
I. STATEMENT OF JURISDICTION, AUTHORITY AND POWERS	1
A. Creation of committee—H. Res. 77	1
B. Funding—H. Res. 269	3
C. Committee rules	3
D. Membership	6
E. Staff	6
F. Full committee meetings	7
G. Task forces	7
II. ACTIVITIES	8
A. Special investigations	9
1. Drug abuse in New York City schools	9
2. Southwest border factfinding mission—border inter- diction	9
3. Treatment modalities in New York City	10
4. Psychotropic drug diversion	10
5. Task forces investigations	10
(a) Demand reduction	10
(b) Drug abuse in institutions	11
(c) Drug abuse in the military	11
(d) Financial resources—supply reduction—Fed- eral, State, local interface	11
(e) Narcotics Research	12
(f) Organized Crime	12
6. Cocaine trafficking	12
7. Methadone diversion study	13
B. Hearings	13
1. Marihuana decriminalization	13
2. Law Enforcement Assistance Administration (LEAA) narcotics funding	14
3. U.S. narcotics policy in Southeast Asia	14
4. Chicago heroin trafficking and money flow	15
5. Second annual oversight hearings on the Federal drug abuse efforts	15
(a) Federal strategy	16
(b) Narcotics research	16
(c) Domestic law enforcement	16
(d) International narcotics control and compli- ance/regulatory	17
(e) Border management	17
C. Committee publications	18
1. Interim Report	19
2. Appendix to Interim Report	19
3. New York City Report	19
4. Report on Seven Nation Fact-Finding Mission	19
5. New York City Schools	20
6. Decriminalization Report	20
7. The International Narcotics Control Community Re- port	20
8. Southeast Asia Trip Report	21
9. South American Cocaine Mission	21
10. U.S. Narcotic Policy in Southeast Asia Report	22
11. Chicago Report	22

II. ACTIVITIES—Continued	Page
D. Services provided to standing committees-----	23
1. General-----	23
2. Congressional Resource Guide-----	24
E. Speeches and other public education-----	24
1. Speeches-----	24
2. Press conferences and releases-----	25
F. Miscellaneous-----	27
1. Psychotropic convention-----	27
2. United Nations resolution-----	27
3. Hermosillo Declaration-----	27
4. President's Message-----	27

# Union Calendar No. 431

95<sup>TH</sup> CONGRESS } HOUSE OF REPRESENTATIVES } REPORT  
1st Session } } No. 95-481

## ANNUAL REPORT FOR THE YEAR 1977 OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

JANUARY 3, 1978.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

Mr. WOLFF, from the Select Committee on Narcotics Abuse and  
Control, submitted the following

### REPORT

#### I. STATEMENT OF JURISDICTION, AUTHORITY AND POWERS.

The Select Committee on Narcotics Abuse and Control is a unique congressional committee. It is the only committee established by the House of Representatives with jurisdiction devoted exclusively to narcotics abuse and control. Prior to creation of the Select Committee the subject of narcotics abuse and control was covered by standing committees with jurisdiction over a broad variety of fields including criminal justice administration, international relations, health, government reorganization, and the military.

The Select Committee does not possess legislative jurisdiction. It is not empowered to report out bills and can only act in a supportive capacity to the seven standing committees of the House which bear the responsibility and have jurisdiction to advance legislation to alleviate the problems of narcotics abuse and control. The dominant instruction to the committee from the House is "to conduct a continuing comprehensive study and review of the problems of narcotics abuse and control." The Select Committee is, therefore, primarily a factfinding committee of the House in the field of narcotics abuse and control.

#### A. CREATION OF COMMITTEE—H. RES. 77

Following is the text of H. Res. 77 which unanimously passed the House of Representatives on January 11, 1977:

[H. Res. 77, 95th Cong., 1st sess.]

*Resolved*, That (a) (1) there hereby is established in the House of Representatives a select committee to be known as the Select Committee on Narcotics

Abuse and Control (hereinafter in this resolution referred to as the "select committee"). The select committee shall be composed of eighteen Members of the House.

(2) Members of the select committee shall be appointed by the Speaker of the House. One member of the select committee shall be designated by the Speaker to serve as chairman of the select committee.

(3) At least one member of the select committee shall be chosen from each of the following committees of the House: The Committee on Armed Services, the Committee on Government Operations, the Committee on International Relations, the Committee on Interstate and Foreign Commerce, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, and the Committee on Ways and Means.

(4) Any vacancy occurring in the membership of the select committee shall be filled in the same manner as the original appointment.

(b) The chairman of the select committee may establish such subcommittees of the select committee as he considers appropriate. Any such subcommittee shall be composed of not less than four members of the select committee.

SEC. 2. The select committee shall not have legislative jurisdiction. The select committee shall have authority—

(1) to conduct a continuing comprehensive study and review of the problems of narcotics abuse and control, including, but not limited to, international trafficking, enforcement, prevention, narcotics-related violations of the Internal Revenue Code of 1954, international treaties, organized crime, drug abuse in the Armed Forces of the United States, treatment and rehabilitation, and the approach of the criminal justice system with respect to narcotics law violations and crimes related to drug abuse; and

(2) to review any recommendations made by the President, or by any department or agency of the executive branch of the Federal Government, relating to programs or policies affecting narcotics abuse or control.

SEC. 3. (a) For purposes of this resolution, the select committee, or any subcommittee thereof authorized by the select committee, may sit and act at such times and places as it considers appropriate whether the House is sitting, has recessed, or has adjourned.

(b) For purposes of this resolution, the select committee, or any subcommittee thereof authorized by the select committee to hold hearings, may hold such hearings, and may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, documents, and other exhibits and materials, as it considers necessary. Subpoenas may be issued under the signature of the chairman of the select committee or any member of the select committee designated by him, and may be served by any person designated by such chairman or member.

(c) A majority of the members of the select committee shall constitute a quorum for the transaction of business, except that the select committee may designate a lesser number as a quorum for the purpose of taking testimony. The chairman of the select committee, or any member of the select committee designated by him, may administer oaths or affirmations to any witness.

(d) The select committee and any subcommittee thereof and its staff may conduct field investigations or inspections. Members and staff of the select committee may engage in such travel as may be necessary to conduct investigations relating to the purpose of this resolution.

SEC. 4. The select committee may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the select committee or any subcommittee thereof held in the District of Columbia.

SEC. 5. The provisions of clause 2(g)(1) of rule XI of the rules of the House shall apply to the select committee.

SEC. 6. (a) The select committee shall report to the House with respect to the results of any investigation conducted by the select committee, or any subcommittee thereof, under section 3(d).

(b) The select committee shall submit an annual report to the House which shall include a summary of the activities of the select committee during the calendar year to which such report applies.

(c) Any report of the select committee under this section which is submitted during a period in which the House is not in session shall be filed with the Clerk of the House.

## B. FUNDING—H. RES. 269

Funding of the committee's activities during 1977 was accomplished pursuant to the following resolution, unanimously passed by the House on February 8, 1977:

[H. Res. 269, 95th Cong., 1st sess.]

### RESOLUTION

*Resolved*, That effective January 3, 1977, the expenses of investigations and studies to be conducted by the Select Committee on Narcotics Abuse and Control, not to exceed \$722,204, including expenditures for the employment of investigators, attorneys, and clerical and other assistants, and for the procurement of services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a (i)), shall be paid out of the contingent fund of the House on vouchers authorized by such select committee, signed by the chairman of such select committee, and approved by the Committee on House Administration. Not to exceed \$30,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

Sec. 2. No part of the funds authorized by this resolution shall be available for expenditure in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House; and the chairman of the Select Committee on Narcotics Abuse and Control shall furnish the Committee on House Administration information with respect to any study or investigation intended to be financed from such funds.

Sec. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

## C. COMMITTEE RULES

The operation of the committee was guided by the following rules:

### RULES OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

#### RULE 1. RULES OF THE HOUSE

The Rules of the House of Representatives, insofar as they are applicable, shall be the rules of the Committee. The following rules, insofar as they are consistent with the Rules of the House, shall apply to the Committee.

#### RULE 2. MEETINGS

(a) The regular meeting day of the Committee for the conduct of its business shall be on Thursday of each week while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) At least 24 hours (excluding Saturdays, Sundays, and legal public holidays) before each scheduled Committee meeting, each member of the Committee shall be furnished a list of the subjects to be considered or acted upon at the meeting.

#### RULE 3. HEARINGS

(a) Members of the Committee shall be advised and a public announcement shall be made of the time, date, place, and subject matter of any hearing to be

conducted by the Committee at least one week before the commencement of such hearing, unless the Chairman determines that there is good cause to begin such hearing at an earlier date, in which event he shall make public announcement at the earliest possible date.

(b) Unless authorized by the Chairman, a witness shall not be permitted to testify or present evidence at a hearing of the Committee, and such testimony or evidence may not be included in the Committee hearing record, unless 50 copies thereof have been delivered to the Committee at least 24 hours before such hearing.

(c) A Committee member may question a witness only when recognized by the Chairman for such purpose. In accordance with clause 2(j) (2) of Rule XI of the Rules of the House, each Committee member shall be allowed 5 minutes to question a witness until each member who so desires has had such opportunity. The Chairman shall, insofar as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the direction of the Chairman.

#### RULE 3A. WITNESSES APPEARING BEFORE COMMITTEE STAFF

(a) The Chairman may authorize not less than two members of the professional staff of the Committee (one of which shall be the Chief Counsel or the Chief of Staff) to take the oral presentation or deposition of any person or persons who voluntarily agree to make such a presentation or deposition. For the purposes of this rule, a deposition means a detailed record pertaining to a subject which is within the jurisdiction of the Committee.

(b) The Chairman may authorize the payment of travel and/or per diem expenses to any person or persons from whom such a deposition or oral presentation is taken pursuant to this rule.

#### RULE 4. COMMITTEE PROCEDURE

(a) A majority of the members of the Committee shall constitute a quorum for the transaction of Committee business, except that 2 members shall constitute a quorum for purposes of taking testimony and receiving evidence.

(b) Meetings for the transaction of business and hearings of the Committee shall be open to the public or closed, in accordance with clause 2(g) of Rule XI of the Rules of the House.

(c) A vote by any member of the Committee with respect to any matter being considered by the Committee may be cast by proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the member of the Committee who is to execute the proxy authorization, and is limited to a specific matter, except that a member may authorize a general proxy for motions to recess or adjourn, or for other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time that proxy is signed. Proxies may not be counted for a quorum.

(d) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any member, and a copy made available to each member present.

(e) If the Chairman of the Committee is not present at any meeting or hearing of the Committee, the ranking member of the majority party on the Committee who is present shall preside at such meeting or hearing.

#### RULE 5. BROADCASTING

(a) Whenever any hearing or meeting conducted by the Committee is open to the public, the Committee may permit such hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the rules established by clause (b).

(b) (1) If television or radio coverage of any hearing or meeting of the Committee is to be presented to the public as live coverage, such coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his will to be photographed at any hearing or meeting or to give evidence

or testimony while the broadcasting of such hearing or meeting, by radio or television, or still photography coverage, is being conducted. At the request of any such witness who does not wish to be subjected to radio or television coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than 4 television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television networks or stations of the positions of the number of television cameras shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee, or the visibility of such witness and such member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the representatives of any other news medium.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the Committee is in session.

(7) Floodlights, spotlights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television networks or stations may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(8) Not more than 5 press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of such photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests is made by more than 5 representatives of any news medium for coverage of the hearing by still photography, such coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by the representatives of any other news medium.

(10) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(11) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(12) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

#### RULE 6. COMMITTEE REPORTS

Every investigative report shall be approved by a majority vote of the Committee at a meeting at which a quorum is present. Supplemental, minority, or additional views may be filed in accordance with clause 2(1) (5) of Rule XI of the Rules of the House. The time allowed for filing such views shall be 3 calendar days (excluding Saturdays, Sundays, and legal public holidays) unless the Committee agrees to a different time, but agreement on a shorter time shall require the concurrence of each member of such Committee for at least 3 calendar days (excluding Saturdays, Sundays, and legal public holidays) before the consideration of such proposed report in the Committee. If hearings have been held on the matter reported upon, every reasonable effort shall be made to have such hearings available to the members of the Committee before the consideration of the proposed report in the Committee.

#### RULE 7. POWERS AND DUTIES OF COMMITTEE

(a) For the purpose of carrying out any of its functions and duties, the Committee is authorized to sit and act at such times and places as it considers appropriate whether the House is sitting, has recessed, or has adjourned.

(b) The Committee may require, by subpoena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, documents, and other exhibits and materials, as it considers necessary. A subpoena may be issued by the Committee only when

authorized by a majority of the members of the Committee and authorized subpoenas shall be signed by the Chairman or by any member designated by the Committee.

(c) The Chairman shall report on a regular basis the findings of the Committee to the following committees of the House: the Committee on Armed Services, the Committee on Government Operations, the Committee on International Relations, the Committee on Interstate and Foreign Commerce, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, and the Committee on Ways and Means.

#### RULE 8. AMENDMENT OF RULES

The Rules of the Committee may be modified, amended, or repealed, by a majority vote of the Committee. Written notice of the proposed change shall be provided to each member of the Committee 2 legislative days before the meeting date on which such changes are to be discussed and voted upon.

#### D. MEMBERSHIP

During the First Session of the 95th Congress, the Select Committee on Narcotics Abuse and Control received resignations from Congressman Henry A. Waxman (April 5, 1977), Congressman James H. Scheuer (November 4, 1977), and Congressman Herman Badillo (November 29, 1977). Congressman Billy L. Evans (April 5, 1977) and Congressman Leo C. Zeferetti (November 4, 1977) were appointed to the Select Committee to succeed those Members who resigned. As of the date of this report, the membership is as follows:

LESTER L. WOLFF, New York, Chairman

PETER W. RODINO, JR., New Jersey

PAUL G. ROGERS, Florida

E (KIKI) DE LA GARZA, Texas

JAMES R. MANN, South Carolina

MORGAN F. MURPHY, Illinois

CHARLES B. RANGEL, New York

FORTNEY H. (PETE) STARK,  
California

GLENN ENGLISH, Oklahoma

BILLY L. EVANS, Georgia

LEO C. ZEFERETTI, New York

J. HERBERT BURKE, Florida

TOM RAILSBACK, Illinois

LOUIS FREY, JR., Florida

ROBIN L. BEARD, Tennessee

BENJAMIN A. GILMAN, New York

TENNYSON GUYER, Ohio

EX OFFICIO:

MARIO BIAGGI, New York

CARDISS COLLINS, Illinois

STEPHEN L. NEAL, North Carolina

JOE SKUBITZ, Kansas

#### E. STAFF

For most of 1977, the committee staff consisted of nineteen professional and six clerical staff members. In addition, the committee utilized and paid, on an "as needed" basis, for the services of four consultants in the field of narcotics abuse and control.

The committee's editorial and printing work was performed by two employees of the Government Printing Office, who were detailed to the committee. The General Accounting Office, also detailed an employee to the committee to assist in the preparation of the Congressional Resource Guide, a general reference guide to drug abuse. Over the course of the 1st Session of the 95th Congress, the National Institute on Drug Abuse loaned the committee two employees with substantial expertise in drug abuse. The Food and Drug Administration also detailed an investigator to assist in the law enforcement aspects of narcotics abuse and control.

The Congressional Research Service in the Library of Congress and the House Information Systems, provided substantial research assistance to the committee.

Ten student interns from Lehigh University, Princeton University, Cornell University, American University, Indiana University, University of Pennsylvania, State University of New York at Binghamton, University of North Carolina, Emory University and Stanford University were utilized during the summer months to assist the professional staff members. Their assistance was rendered in all phases of nonclassified staff work.

As of the date of this report, the staff consists of the following professional and clerical employees:

#### PROFESSIONAL STAFF MEMBERS

Donna M. Alvarado, <i>Professional Staff Member</i>	Joseph L. Nellis, <i>Chief Counsel</i>
Charles A. Anderson, <i>Staff Counsel</i>	John W. Peplow, <i>Investigator</i>
Alma E. Bachrach, <i>Investigator</i>	David Pickens, <i>Project Officer</i>
Cheryl A. Badey, <i>Research/Financial Staff Member</i>	Bonnie G. Sanford, <i>Research Assistant</i>
Samuel J. Baptista, <i>Professional Staff Member</i>	David Sandler, <i>Staff Counsel</i>
Toni P. Biaggi, <i>Research Assistant</i>	Paul M. Snyder, <i>Research Assistant</i>
Elliott A. Brown, <i>Professional Staff Member</i>	Daniel A. Stein, <i>Research Assistant</i>
Andrew D. Duskie, <i>Professional Staff Member</i>	Doreen E. Thompson, <i>Staff Counsel</i>
William G. Lawrence, <i>Chief of Staff</i>	Thomas H. Vogel, <i>Professional Staff Member</i>
Daniel F. Leonard, <i>Investigator</i>	S. Howard Wallach, <i>Staff Counsel</i>

#### CLERICAL STAFF MEMBERS

Karen E. Andrews, <i>Secretary</i>	Patricia E. Shreve, <i>Receptionist</i>
Jeanne G. Courtney, <i>Secretary</i>	Carole A. Urbanske, <i>Secretary</i>
Jean Maria Orque, <i>Secretary</i>	Wendy J. Winker, <i>Secretary</i>

#### DETAILED STAFF MEMBERS

Dr. Michael Backenheimer, *National Institute on Drug Abuse*  
 William Hill, *General Accounting Office*  
 Arthur Loewy, *Government Printing Office*  
 Louis Williams, *Government Printing Office*

### F. FULL COMMITTEE MEETINGS

In 1977, the Select Committee met on the following six occasions to transact the committee's business: January 5, January 19, February 8, February 23, March 8, and September 7.

### G. TASK FORCES

In June 1977, the select committee organized the following specialized task forces headed by a committee member:

#### I. DEMAND REDUCTION

- (a) Focus: Treatment—efficiency of current models.
- (b) Coordinator: Congressman Badillo.

## 2. CRIMINAL JUSTICE SYSTEM REFORM

- (a) Focus: Bail reform, sentencing, alternative models, decriminalization.
- (b) Coordinator: Congressman Mann.

## 3. FINANCIAL RESOURCES

- (a) Focus: Financial havens and IRS's Narcotics Tax Traffickers Program.
- (b) Coordinators: Congressmen Murphy, Railsback, English.
- (c) Consultant: Paul Perito.

## 4. SUPPLY REDUCTION AND FEDERAL-STATE-LOCAL INTERFACE

- (a) Focus: International trafficking; crop and income substitution; international agreements, bilateral and multilateral law enforcement on Federal, local and State levels;
- (b) Coordinators: Congressmen Gilman, Rangel, Badillo, and Frey.

## 5. NARCOTICS AND ORGANIZED CRIME

- (a) Focus: Supply (opium growing, transport, refining and selling); Financial havens—banking in Hong Kong; precursors—acetic anhydride; customs—profile; smuggling (cases); distribution (cases); U.S. Attorney recommendation.
- (b) Coordinators: Congressmen Beard and Scheuer.

## 6. NARCOTICS RESEARCH

- (a) Focus: Development of synthetic alternatives to heroin.
- (b) Coordinator: Congressman de la Garza.

## 7. DRUG ABUSE IN THE MILITARY

- (a) Focus: Drug abuse identification and treatment.
- (b) Coordinators: Congressmen English and Mann.

## 8. DRUG ABUSE IN INSTITUTIONS

- (a) Focus: Prisons and Schools.
- (b) Coordinators: Congressmen Railsback and Murphy.

## II. ACTIVITIES

1. In the 95th Congress, First Session, the Select Committee held hearings on the reduction of penalties for possession of small amounts of marihuana for personal use; LEAA management of narcotics and drug-related grants; current U.S. narcotics policy as it relates to Southeast Asia; the elimination of the Office of Drug Abuse Policy proposed in President Carter's Reorganization Plan; International narcotics control; Federal narcotics research; U.S. border management policy, proposals and problems; Compliance-Regulatory issues in narcotics control; U.S. domestic narcotics law enforcement; and narcotics trafficking money flow in the Chicago area.

2. In addition to reports issued on the committee's hearings during the 95th Congress, First Session the committee also issued reports based on its investigation into: narcotics control support by the international community; summary of testimony, findings, conclusions, and recommendations based on oversight hearings covering over a dozen Federal agencies involved in narcotics abuse and control work; and trip reports on the committee's investigations and findings in Southeast Asia and South America.

3. The committee held several special investigations in the 95th Congress, First Session. Subjects covered included: organized crime's role in narcotics trafficking; diversion of methadone from treatment centers; cocaine trafficking in Miami; drugs in New York City schools; the evaluation of different drug treatment modalities; drug abuse in institutions; psychotropic drug abuse; drug abuse in prisons; LAAM and naltrexone; role of financial resources in narcotics trafficking; supply reduction and Federal-State-local cooperation; and demand reduction.

4. A major effort of the Select Committee staff during the 95th Congress, First Session was the drafting of a Congressional Resource Guide to the Federal drug abuse and control effort. This guide reviews the major components of the Federal narcotics effort including legislation, organization, and budget.

The significant activities of the committee with respect to these and a considerable number of other matters are discussed in detail below:

#### A. SPECIAL INVESTIGATIONS

During the First Session of the 95th Congress, the committee initiated and continued several important investigations both in demand and supply reduction. Some of these investigations have culminated in hearings, and/or reports, including recommendations for changes, while others are still in the process of completion.

##### 1. DRUG ABUSE IN NEW YORK CITY SCHOOLS

Due to increased concern over the problem of drug abuse in our Nation's schools, in November 1976, the Select Committee began a preliminary study of the problem of substance abuse within the New York City school system, in an effort to determine the necessity for an indepth investigation by committee staff.

An indepth investigation featuring intensive field interviews has been ongoing throughout 1977. Currently, New York City remains the target area for these investigations. The Select Committee during the second session of the 95th Congress will hold hearings on the issue of drugs in schools in order to develop effective policy recommendations which will aid in reducing this growing epidemic among our Nation's youth.

##### 2. SOUTHWEST BORDER FACTFINDING MISSION—BORDER INTERDICTION

This mission, conducted March 24 through 28, 1977, studied the border interdiction resources available to the U.S. Customs Service and the Drug Enforcement Administration and assessed the success

and failures these agencies are experiencing in detecting smuggling operations in the Southwest region. Committee members visited ports-of-entry in California, New Mexico, Arizona and Texas; the Drug Enforcement Administration's El Paso Intelligence Center (EPIC); the Customs Service TECS Center in San Diego; and the Coast Guard Station in San Diego.

The mission also examined the status of inter-agency cooperation among the Federal agencies assigned a part in the border interdiction effort and investigated specific intelligence information revealed on suspected areas of corruption within the local, State and Federal law enforcement structure.

### 3. TREATMENT MODALITIES IN NEW YORK CITY

During the past year, the committee investigated various drug abuse treatment modalities in New York City. Twelve treatment programs were investigated, which lead to the finding of the existence of: (1) high dropout rates, (2) high rates of readmission, and (3) high unemployment rates among clients. The Select Committee staff concluded from this investigation that no single treatment modality or treatment program visited had all of the answers to the complex questions raised in the area of drug abuse treatment.

### 4. PSYCHOTROPIC DRUG DIVERSION

In April 1977, the committee initiated an investigation into psychotropic drug diversion by prescribing physicians which culminated in May, 1977, with the committee chief counsel's attendance at the National Drug Abuse Conference. The findings disclosed a methodology by which action could be taken against those physicians who over-prescribe or illegally dispense psychotropic substances. As the methodology requires the cooperation of State authorities, a copy was distributed to the State police of every State. Significant indictments were brought in connection with illegal dispensing of psychotropics.

### 5. TASK FORCE INVESTIGATIONS

#### (a) *Demand reduction*

The Demand Reduction Task Force, coordinated this past year by Congressman Badillo, made a concerted effort to define the nature and extent of various modalities of drug abuse treatment in the United States.

Toward this end, in June, 1977, the staff conducted a 3-day investigation in New York City of 12 treatment centers representing major treatment modalities, such as methadone maintenance detoxification, therapeutic communities, and drug-free. The centers were studied in terms of recidivism, employment rates, multiple enrollments, drop-out rates, et cetera.

The staff, in November 1977, investigated methadone maintenance clinics to determine the amount of methadone diversion and illicit sales that occurred as a result of this treatment modality.

In the last quarter of 1977 the committee hired Dr. Joel Fort as a consultant to assist in making plans for committee work in the area of

demand reduction in 1978. In addition Steve Glenn and Dr. Fred Streit have on a voluntary basis been assisting the Committee in this area.

*(b) Drug abuse in institutions*

The task force, coordinated by Congressman Railsback, has researched drug abuse in prisons, including general drug abuse, illicit supply, over- and under-medication. The Congressional Research Service, as requested by this task force is currently locating available materials on drug abuse in schools, which is to be used for future investigations.

The immediate priority of the committee is to conduct a survey of selected Federal prisons to determine the amount of existing drug abuse.

*(c) Drug abuse in the military*

Under the direction of Congressman Glenn English, the committee has initiated an investigation into drug abuse in the military. The principal investigative method currently being utilized by the task force is the administration of an original survey to randomly selected military officers and lower enlisted, permanent army personnel. The survey is designed not only to gain an accurate estimate of drug abuse levels within the armed services today, but also to provide the task force with perceptions and attitudes of officers and lower enlisted personnel that will more realistically describe the military drug abuse policy and its true effectiveness as a deterrent.

The survey is currently being distributed at selected installations across the United States and will be completed by the end of January 1978. Bases visited thus far include Fort Bragg, S.C.; Fort Sill, Okla.; Fort Jackson, S.C.; Fort Stuart, Ga.; Holmstead Air Force Base, Fla.; McGuire AFB, N.J.; Travis AFB, Calif.; Miramar Naval Air Station, Calif.; Norfolk Naval Base, Va.; San Diego Naval Base, Calif. and Marine Corps Recruit Depot, Parris Island, S.C.

Other areas currently under investigation include an examination of the nature and extent of military drug law enforcement and the success of Department of Defense drug abuser identification and treatment programs.

The culmination of these efforts is expected to occur in February or March 1978, when hearings will be held with the Department of Defense and the service branches.

*(d) Financial resources—supply reduction—Federal, State, local interface*

These task forces, coordinated by Congressmen Murphy, Rangel and Gilman initiated an extensive investigation of heroin trafficking in Chicago, Ill. Their findings were used by the full committee in its Chicago hearings. These preliminary investigations examined the transshipment of heroin from Durango, Mexico, the "laundering" of the money in Chicago, and the transfer of illegal narcotics proceeds to Mexico.

Through this investigation, the committee learned that (1) the largest Chicago area trafficker is the 1,000-member Herrera family; (2) this family organization has been involved in trafficking in the past

20 years, but has increased the magnitude of its operations during the past several years, including a major expansion to east coast cities;

(3) traffickers have routinely brought large amounts of heroin proceeds to currency exchanges and banks, purchased money orders with these narcotics profits, and then sent or carried the negotiable instruments to Mexico; (4) traffickers are able to conduct these transactions with virtual impunity, despite Federal and State laws that were designed to prohibit this type of manipulation. As a result of the committee's exposures, avenues heretofore available for shipment of huge amounts of untaxed dollars were shut off, and the Internal Revenue Service sent a special task force to aid in tax enforcement efforts.

*(e) Narcotics research*

The investigative work undertaken by this task force under the coordination of Congressman de la Garza provided a foundation for the full committee oversight hearing on Federal narcotics research held on October 6, 1977.

*(f) Organized crime*

The Task Force on Organized Crime, coordinated by Congressman Beard, investigated the role and extent of organized crime in narcotics trafficking. In order to determine the nature of this involvement, it analyzed and investigated several of the more important narcotics cases of the last several years, including the *Matthew Madonna* and *Frank Lucas* cases.

During the course of these investigations, the committee examined the manner in which the traffickers procure heroin abroad, the various methods of shipping the heroin into the United States and the heroin distribution network in American cities. The committee has met regularly with the Drug Enforcement Administration, Customs Service, and local law enforcement agencies throughout the Nation to learn their problems, and to elicit any legislative or administrative remedies which would increase narcotics interdiction and arrest rates.

The committee focused, in particular, on the current status of the Witness Protection Program, used to protect informants. To better understand the operations of this program, the committee met with representatives of the Department of Justice, who explained the current problems, and their plans to remedy defects. The committee plans further investigations into this vital area, one of great consequence to law enforcement.

#### 6. COCAINE TRAFFICKING

Responding to information received by the committee in the months of August and September, the committee conducted undercover investigations of cocaine trafficking and dispersion of illegal funds in the south Florida area. These investigations produced material of a classified nature, which the chairman personally transmitted to the Attorney General on December 6, 1977. The Attorney General congratulated the committee and staff on its excellent investigation and stated that the law enforcement aspects of the investigation would be carefully examined by the Department of Justice and, where applicable, indictments will be brought. This was a major example of many instances in which the committee's work had directly aided the law enforcement community in highly significant criminal investigations.

## 7. METHADONE DIVERSION STUDY

In line with its demand reduction activity, the Select Committee is currently investigating the use of methadone as a drug abuse treatment modality. A study of methadone treatment in New York City found a most disturbing rate of methadone diversion. Numerous cases of illicit sales by addicts in treatment, some enrolled in multiple methadone programs, were documented. A study of methadone treatment in Boston has begun, in order to provide contrasting information between one jurisdiction which permits "take home" methadone (New York) and another, which has not (Boston).

The committee staff has been assisted in this area by Jack Kelly of Congressman Rangel's office.

## B. HEARINGS

During 1977, the following public hearings were conducted by the Select Committee:

1. Marihuana Decriminalization, March, 1977;
2. Law Enforcement Assistance Administration Narcotics Funding, June 1977;
3. U.S. Narcotics Policy in Southeast Asia, July, 1977;
4. Chicago Investigation of Narcotics Trafficking Proceeds, October, 1977; and
5. Second Annual Oversight Hearings on the Federal Strategy, September, October, November, 1977.

The following are summaries of these hearings:

## 1. MARIHUANA DECRIMINALIZATION

On March 14-16, 1977, the committee heard testimony from leading medical, legal, and public affairs experts on the issue whether Congress should reduce the penalty for possession for personal use of small amounts of marihuana.

Proponents of decriminalization primarily argued that present Federal laws are being largely ignored by the law enforcement, criminal justice and judiciary systems, which breeds disrespect for all laws and results in *de facto* decriminalization. Moreover, proponents, citing data derived from California and Oregon, which have reduced the penalties for possession of small amounts of marihuana for personal use, argued that Federal decriminalization would not result in an appreciable increase in the use of marihuana.

On the other hand, opponents of decriminalization argued that the Federal Government should not encourage the use of any drug; that marihuana is a harmful substance whose effects have not been fully established by the scientific community, and that the use of marihuana leads to the taking of other drugs. Importantly, opponents emphasized that there is a basic inconsistency in a Federal policy that would reduce penalties for the use of a substance whose importation or sale remains illegal.

The committee submitted its findings of the hearings to the various standing committees of the House which ultimately have the responsibility to decide whether to amend the Controlled Substances Act to decriminalize possession of small amounts of marihuana for personal use.

2. LAW ENFORCEMENT ASSISTANCE ADMINISTRATION (LEAA)  
NARCOTICS FUNDING

On June 8, 1977, the Select Committee, chaired by Representative Peter W. Rodino, Jr. (D-N.J.), held an oversight hearing to review the nature and scope of the Law Enforcement Assistance Administration's (LEAA) funding assistance to State and local governments in the area of narcotics abuse and control.

At that hearing the Select Committee learned:

(1) It is not possible to determine with any degree of certainty the total LEAA expenditures for narcotics abuse and control during the period 1972-1976.

(2) LEAA funding of narcotics abuse and control programs in the block and discretionary funding categories has been decreasing during the past 5 years.

(3) LEAA has an extremely small number of employees with expertise in the area of narcotics abuse and control. This raises serious questions about LEAA's ability to adequately monitor and evaluate its narcotics abuse and control programs.

(4) LEAA's Treatment Alternatives to Street Crime (TASC) program is an excellent innovative program that is having a significant positive impact on reducing recidivism among drug addicts.

The committee, particularly acting chairman Peter W. Rodino, Jr., made several concrete suggestions to enhance the level of LEAA's attention to block and discretionary grants in drug abuse. The Deputy Attorney General, who, along with the Acting Administrator of LEAA, was a lead witness at the hearing, pledged continuing attention to drug abuse initiatives by LEAA and other Justice Department agencies.

3. U.S. NARCOTICS POLICY IN SOUTHEAST ASIA

On July 12 and 13, 1977, the Select Committee took testimony from the Special Assistant to the President on Health Matters and witnesses from the Department of State, the Department of Justice, the Drug Enforcement Administration and the National Institute on Drug Abuse on the current situation with respect to opium trafficking in Southeast Asia. Foremost among the considerations before the committee was the proposal that the United States or a recognized international organization engage in a preemptive purchase of opium from the opium producers in the Golden Triangle of Burma, Thailand, and Laos. The rationale behind this proposal was that by engaging in such a transaction more than half of the entire opium crop in that area of the world would never reach the international heroin market. The hearings produced objections to this proposal voiced mainly by the President's assistant, Dr. Peter G. Bourne, and by the State Department Narcotics Coordinator, Ms. Mathea Falco. The administration's position was that rather than engage in preemptive purchases, American interests would be better served by the provision of additional narcotics enforcement assistance, including aircraft, to the government of Burma to be used to help in interdicting the opium supply as it moves from the growing areas down to the Thai-Burmese border area. The committee expressed strong reservations concerning the stated policy involving Burma, but could not secure agreement regarding the proposed preemptive purchase.

At this hearing, the President's representative reiterated the President's commitment to high-level policy review of drug abuse problems and as proof of this concern, he pointed to the creation of March 1977, of the Office of Drug Abuse Policy. The committee later learned however that the Office of Drug Abuse Policy was to be the subject of a reorganization plan which effectively eliminated it from the Executive Office of the President.

#### 4. CHICAGO HEROIN TRAFFICKING AND MONEY FLOW

The Select Committee, on September 30 and October 1, held hearings in Chicago, Ill. to obtain information regarding the Chicago "heroin trail" which originates in Durango, Mexico, stretches to Chicago and other cities, and returns to Durango again. The control of this illegal operation by the Herrera and other Mexican-American families in Chicago and elsewhere was fully documented. A major emphasis of the hearings was the use of currency exchanges and banks to convert heroin proceeds to negotiable instruments, such as money orders, which are then mailed or personally transported to Mexico, and deposited into the accounts of the traffickers. Through this means, millions of untaxed and unregistered dollars were being sent from Chicago to banks in Mexico where these vast sums were employed to further dealings in heroin.

The committee achieved significant results from the hearings. The magnitude and structure of the Herrera family narcotics organization was exposed to the public. The investigation and hearings revealed that over a short period of time, two currency exchanges sold approximately \$1.9 million in money orders which were deposited in Mexican banks, and that enormous sums were deposited at specific banks in the accounts of particular individuals. These transactions indicated a lack of control on the part of some State and Federal enforcement agencies. These agencies have initiated procedures to remedy the situation, and, in particular require stronger Federal laws to deal with cash transfers such as bank drafts, money orders and cashier's checks purchased by unidentified individuals for transfer abroad to foreign banks.

The investigation which preceded this hearing was begun by the Committee's task force on Financial Resources-Supply Reduction-Federal, State, local interface coordinated by Congressmen Morgan F. Murphy (D-Ill.), Charles B. Rangel (D-N.Y.) and Benjamin A. Gilman (R-N.Y.).

#### 5. SECOND ANNUAL OVERSIGHT HEARINGS ON THE FEDERAL DRUG ABUSE EFFORTS

In the fall of 1977, the committee undertook its second annual review of the Federal Narcotics effort by means of oversight hearings, conducted pursuant to H. Res. 77, which charges the committee with the responsibility of conducting a comprehensive review of the entire Federal effort to control narcotics and drug abuse.

The 1977 oversight hearings, held approximately 1 year after the first set of oversight hearings in September 1976, focused on the following subjects: the Federal Strategy, Narcotics Research, Domestic Law Enforcement, International Law Enforcement, Compliance/Regulatory, and Border Management.

*(a) Federal strategy*

The first of the committee's second annual oversight hearings centered on the Federal strategy to combat drug abuse. On September 23, 1977, the committee took testimony from officials of the Office of Drug Abuse Policy and the Office of Management and Budget. In questioning, the hearing centered on the impact of President Carter's Reorganization Plan I issued on August 2, 1977. The effect of the Reorganization Plan was to eliminate the Office of Drug Abuse Policy in the Executive Office of the President. The committee expressed unanimous opposition to the termination of the Office of Drug Abuse Policy and developed information from the witnesses that termination was based upon a management analysis rather than a review of the impact this would have on drug issues. The committee expressed its opposition to the policy of terminating a high-level policy office created by statute without consultation with Congress. Negotiations between committee members and the Office of Management and Budget to extend the Office of Drug Abuse Policy for an additional year beyond December 31, 1977, were fruitless, however, ODAP will continue to function into 1978 as it concludes its seven major drug abuse studies.

*(b) Narcotics research*

Witnesses at the October 6, 1977, Narcotics Research hearing were: Dr. Robert L. DuPont, Director, National Institute on Drug Abuse (NIDA); Dr. Richard Pollin, Director of Research, NIDA; and George Beschner, Deputy Chief, Services Research Branch, NIDA.

At this hearing, testimony, was presented to the Committee on the following:

- (1) The present status of NIDA's research efforts in the development of longer acting narcotic substitutes and antagonists, on different treatment modalities, and in areas with a high likelihood of successful clinical application;
- (2) The types of Federal narcotics research being conducted;
- (3) The amounts of funding being allocated for these research projects;
- (4) The identity of some of the agencies and organizations involved in Federal narcotics research; and
- (5) The cases of possible overlap and duplication of Federal narcotics research efforts.

*(c) Domestic law enforcement*

This hearing, On October 12, 1977, focused on the efforts of the front-line domestic law enforcement agencies to coordinate and cooperate in curbing narcotics trafficking in this country. Witnesses were: Mr. Peter Flaherty, Deputy Attorney General; Mr. William Lynch, Chief, Narcotics and Dangerous Drugs Section, Criminal Division, the Department of Justice; Mr. Peter Bensinger, Administrator, Drug Enforcement Administration; Mr. Donald Moore, Assistant Director, Criminal Investigative Division, Federal Bureau of Investigation; Mr. William E. Williams, Deputy Commissioner, Internal Revenue Service; and Mr. G. R. Dickerson, Deputy Commissioner, U.S. Customs Service.

Testimony was presented to the committee on the following:

- (1) The extent of the cooperation and coordination between the agencies primarily responsible for Federal domestic law enforcement;
- (2) The effectiveness of their effort in attacking violations of Federal law;
- (3) Their plans to improve their effectiveness and cooperation and coordination among themselves;
- (4) Their recommendations for legislation to enable them to perform their tasks more effectively and efficiently.

(d) *International narcotics control and compliance/regulatory*

This 2-day hearing, on November 15 and 16, 1977, at the U.S. Mission to the United Nations in New York City, marked the completion of the Select Committee's "supply reduction" oriented oversight hearings. It was the first time in the history of the United Nations that a firsthand view of the U.S. Congress in action was afforded foreign delegations. As Chairman Wolff is presently representing the United States at the 32d Session of the United Nations General Assembly, the oversight hearing provided an effective forum for Congress to focus worldwide attention to the problem of international narcotics control. This is particularly significant, given the realization that the opium poppy and the coca leaf are not indigenous to the United States.

Over thirty foreign delegations were represented at the hearings, responding to a formal invitation extended by Chairman Wolff. Opening the 2 days of testimony was a panel consisting of Mathea Falco, Senior Adviser to the Secretary, Department of State; Robert Oakley, Deputy Assistant Secretary for East Asian and Pacific Affairs, Department of State; John Owens, Deputy Assistant Administrator, Agency for International Development; and Peter Bensinger, Administrator, Drug Enforcement Administration. Terrence Todman, Assistant Secretary for Inter-American Affairs, Department of State, testified during the afternoon of the 15th.

The panel addressed the issues involved in the U.S. efforts on international narcotics control. Emerging from the exchange between committee members, questions by the chief counsel and executive department representatives was the fact that U.S. international narcotics control efforts are designed as a result of foreign policy objectives formulated through the State Department.

During the afternoon session of the committee's hearings, Compliance/Regulatory issues were addressed by Kenneth Rurrin, Director, Office of Compliance and Regulatory Affairs, Drug Enforcement Administration (DEA); Dr. John Jennings, Associate Commissioner for Medical Affairs, Federal Drug Administration (FDA); and William Bodra, Associate Chief Counsel, FDA. In anticipation of committee involvement in the matter of methadone diversion, questioning focused on the roles of these two agencies in the licensing and monitoring of methadone treatment centers. While apparent problems in this regard were raised, the committee has withheld judgment pending indepth investigation of these problems.

(e) *Border Management*

This hearing on November 16, 1977, was also held at the U.S. Mission in New York City. The purpose of the hearings was to examine

the efforts of Federal law enforcement agencies in the interdiction of narcotics at our border crossings. In this connection, representatives of the Office Drug Abuse Policy (ODAP) and the Comptroller General's Office (GAO) presented findings of studies recently concluded by both their agencies.

Richard L. Williams, Deputy Associate Director for Organization and Management, ODAP, testified that the primary purpose of his review was to identify the problems having the greatest impact on effectiveness and to propose solutions for improvement. The review team from ODAP was comprised of an interagency group of representatives from the principal departments and agencies involved with control of the borders—namely, the U.S. Customs Service, the Immigration and Naturalization Service, the U.S. Coast Guard, and the Drug Enforcement Administration. ODAP's report was directed at a long-term look at the border, rather than focusing on any transitory operational problems.

William J. Anderson, Deputy Director, General Government Division, GAO, testified regarding those areas of border activity which result in duplication of effort by the above-mentioned agencies. A major finding was the lack of an integrated strategy for border control. GAO recommended the Office of Management and Budget prepare an annual analysis of law enforcement along the United States-Mexico border. This would provide a centralized inventory of resources allocated to border activities which is not presently available. Because of this, GAO found it difficult to determine through present budget presentations the border-related programs of each related agency.

ODAP and GAO generally agreed that a partial solution to border interdiction would be the creation of a single management agency for the administration of border responsibilities. This proposal is presently under consideration by the Office of Management and Budget as part of the President's total reorganization plan.

### C. COMMITTEE PUBLICATIONS

Twelve publications were issued during the 95th Congress, first session, as follows:

1. Oversight Hearings on Federal Drug Abuse Effort.
2. Interim Report—Summary of Testimony, Findings and Conclusions Resulting from the Oversight Hearings.
3. Appendix to Interim Report.
4. New York City Hearings on Narcotics.
5. New York City Law Enforcement Report on Narcotics Law Enforcement.
6. Seven Nation Fact-Finding Mission Report.
7. Preliminary Staff Study on Drug Abuse in New York City Schools.
8. Decriminalization Hearings.
9. Decriminalization Report.
10. The International Narcotics Control Community Report.
11. Southeast Asia Mission Report—Opium Production, Narcotics, Financing and Trafficking.
12. Review of the Law Enforcement Assistance Administration Narcotics Funding.

What follows is a synopsis of all the committee reports issued during the 95th Congress, first session and all written reports, presently awaiting publication:

1. INTERIM REPORT (SCNAC 95-1-2), FEBRUARY 1977, ALSO HOUSE REPORT 95-32 SUMMARY OF TESTIMONY AND FINDINGS AND CONCLUSIONS RESULTING FROM OVERSIGHT HEARINGS ON NARCOTICS ABUSE AND CONTROL (PRINTED FEBRUARY 22, 1977)

This report was the immediate product of initial oversight hearings designed to elicit from the appropriate Federal agencies the current status of narcotics law enforcement, control and treatment efforts enunciated by congressional mandate.

The report concluded that (1) we must begin to institutionalize our efforts against drug abuse with a flexible policy which anticipates crises rather than reacts to them, and concentrates on better management; (2) the current status of international drug control reflects confusion, conflict and chronic rhetoric; and (3) to avoid repetition of our past mistakes and misjudgments, we must develop a system of interlocking responsive Federal programs.

This report contains extensive preliminary recommendations for a Federal drug strategy, providing a foundation for a large part of the committee's direction to date.

2. APPENDIX TO INTERIM REPORT, (SCNAC 95-1-3), FEBRUARY 1977, SUBMISSIONS TO THE RECORD PURSUANT TO OVERSIGHT HEARINGS

This appendix contains submissions for the record pursuant to offers made by witnesses and responses to specific requests made by the committee during the oversight hearings on Narcotics Abuse and Control held in late September, 1976.

Also found in this appendix is information and correspondence from those agencies which did not testify at the hearing.

This information was instrumental in the development of the above-listed Interim Report, SCNAC 95-1-2.

3. NEW YORK CITY REPORT (SCNAC 95-1-4), FEBRUARY 1977 SUMMARY OF TESTIMONY AND FINDINGS AND CONCLUSIONS RESULTING FROM HEARINGS IN NEW YORK ON DRUG LAW ENFORCEMENT (PRINTED MARCH 8, 1977)

This report summarizes the observations of the Members of the Select Committee made during their three undercover visits to Harlem, and the testimony of local and Federal officials at the 2 days of formal hearings.

The report concludes, based on the testimony of Department of Justice officials, that narcotics law enforcement in New York City at the street level is not a high priority of the Federal Government. This lack of priority had contributed to creating "a class of citizenry that can no longer expect enforcement of the law on a local or State level."

The report includes material from Mayor Beame requesting Federal funding for narcotics law enforcement in New York City and the response from the Department of Justice.

4. REPORT ON SEVEN NATION FACT-FINDING MISSION, NOVEMBER 4-21, 1976 (SCNAC-95-1-6) FEBRUARY 22, 1977

This committee report presents findings, conclusions, and recommendations developed during a study mission to Europe and South-east Asia. Included in this report are recommendations that:

(1) The nations affected by narcotics abuse convene an international conference on antinarcotic efforts.

(2) The United Nations Fund for Drug Abuse Control should be enhanced in terms of personnel, budget and authority to deal with international narcotics matter.

(3) The Drug Enforcement Administration should continue to support the antinarcotic law enforcement efforts of nations which request it.

(4) The Department of State should consider the use of counterpart funds or excess currencies for support of antinarcotics programs whenever feasible.

5. NEW YORK CITY SCHOOLS (SCNAC 95-1-7), JANUARY 1977 PRELIMINARY STAFF STUDY—DRUG ABUSE IN NEW YORK CITY SCHOOLS (PRINTED FEBRUARY 14, 1977)

This report describes the committee's initial investigation into the drug abuse problem of juveniles both in and out of the New York City school system. It describes the problems of law enforcement in school jurisdictions, effective prevention populations, funding levels, and the use of "mules" by adult drug pushers trafficking in New York City. One startling finding uncovered during the committee's investigations which preceded the writing of this report, was that over 80,000 children of elementary and high school age are truant from the New York City school system.

6. DECRIMINALIZATION REPORT (SCNAC 95-1-9), MAY 1977 CONSIDERATION FOR AND AGAINST THE REDUCTION OF FEDERAL PENALTIES FOR POSSESSION OF SMALL AMOUNTS OF MARIHUANA FOR PERSONAL USE (PRINTED MAY 26, 1977)

This report presents both sides of the marihuana decriminalization issue, based on hearings held on March 14, 15, and 16, 1977, at which the committee heard testimony from 33 witnesses representing varied opinions, attitudes and areas of expertise. The committee evaluated the testimonies and prepared statements of witnesses in accordance with existing scientific, legal and sociological research and presented them in the following categories: Federal policy considerations, legal considerations, medical considerations, law enforcement considerations, sociological considerations, public and private sector considerations, and the California-Oregon experience.

In accordance with its mandate, the committee presented its evidentiary record and its findings without taking a position either for or against a reduction in the Federal penalty for possession for personal use of small amounts of marihuana.

7. THE INTERNATIONAL NARCOTICS CONTROL COMMUNITY REPORT (SNAC 95-1-10), A REPORT OF THE 27TH SESSION OF THE UNITED NATIONS COMMISSION ON NARCOTIC DRUGS

In November 1976, Chairman Wolf and Congressmen Gilman and Scheuer visited the United Nations drug control organizations at their headquarters in Geneva, Switzerland to review U.N. narcotics activities, particularly the United Nations Fund for Drug Abuse Control

(UNFDAC). Based upon the findings of that November 1976 visit, the Select Committee created a task force to monitor the activities of the United Nations Commission on Narcotic Drugs and to seek increased financial support for UNFDAC.

The committee's task force, consisting of Congressmen Gilman and Scheuer, returned to Geneva to attend the February, 1977 meeting of the 27th Session of the United Nations Commission on Narcotic Drugs. On February 11, 1977, Mr. Gilman addressed the Commission during its discussion of the annual report of UNFDAC, pointing out that the United States and Canada contribute 85 percent of UNFDAC's total budget and that a more equitable assumption of fiscal responsibility by nations of the international community was needed. Mr. Scheuer provided additional remarks that he had also expressed in his separate views to the committee's Interim Report.

Along with appended reports, the Select Committees' report of the 27th Session of the U.N. Commission on Narcotic Drugs, includes a discussion of UNFDAC programs and projects, the reluctance by some nations to contribute to the Fund, certain "shortcomings" with regard to the Commission and the Fund, and the relocation of the U.N. antinarcotics community from Geneva to Vienna.

8. SOUTHEAST ASIA TRIP REPORT (SCNAC 95-1-11), APRIL 1977 OPIUM PRODUCTION, NARCOTICS FINANCING AND TRAFFICKING IN SOUTHEAST ASIA (PRINTED AUGUST 1, 1977)

This publication reports on a Select Committee special study mission to Asia conducted April 7-20, 1977. The report includes documentation of trip events as well as an indepth assessment of the following issues: drug abuse in the U.S. military stationed in Asia; the banking system as it applies to narcotics financing in Hong Kong; the role of the Drug Enforcement Administration overseas; the current socio-economic and political situation in the Golden Triangle as it relates to heroin trafficking; and the feasibility and desirability of various U.S. policy alternatives aimed at reducing the flow of opiates from the Golden Triangle.

9. SOUTH AMERICAN COCAINE MISSION, SCNAC 95-1-(NOT ASSIGNED), AUGUST 9-23, 1977 REPORT ON COCAINE PRODUCTION AND TRAFFICKING

On August 9-23, 1977, the Select Committee on Narcotics Abuse and Control conducted a six country factfinding mission in South America to study the nature and extent of cocaine production, manufacture distribution, trafficking and use. A number of important findings are delineated in the trip report.

The committee was able to document reports of large numbers of coca fields, both illicit and licit. Although signatories of the Single Convention on March 30, 1961, both Peru and Bolivia continue to be the major growers of the coca leaf. Crop and income substitution in these countries are difficult accomplishments due to lack of support resources and the presence of certain political realities. Ecuador is significant as a transshipment point for coca paste headed north for refining in Colombia. Colombia is the single most important staging point for cocaine destined to the United States; this country has

multiple clandestine laboratories as well as a highly sophisticated organized crime element possessing the international contacts and the expertise necessary to transport cocaine with minimal interdiction. Chile and Brazil are of less concern in growing or refining activities, but must still be considered from their role as transshipment points for the final exported product.

Law enforcement and international cooperation were perceived as crucial variables. In general, some efforts at interdiction are being made in each country, but major improvement is still needed. Existing international treaties and pacts were generally viewed as unsatisfactory. Interdiction is minimal; the committee estimates an interdiction rate of only 1 percent.

The report emphasizes that despite all attempts to stem the flow of cocaine before it enters the United States, trafficking continues to flourish and is becoming increasingly sophisticated in its techniques and methods. The strong relationship between the overwhelming growth of cocaine use in this country and the easy availability of the substance in South America must be the focal point of any effective attack on this problem.

10. U.S. NARCOTIC POLICY IN SOUTHEAST ASIA REPORT SCNAC-95-1-  
(NOT ASSIGNED)

This report will include background information on the administration's current and future narcotics assistance requests for Thailand and Burma. The report will include a section on the concept of preemptive buys of opium including the four proposals which have come to the attention of Chairman Wolff since 1971. The 2-day hearing will be summarized and analyzed according to the following specific categories:

- (a) the present situation in Burma and Thailand;
- (b) the effectiveness of current enforcement efforts;
- (c) the U.S.-Burmese, U.S.-Thai, and Thai-Burmese relationships; and
- (d) the various policy alternatives.

The final section will be a discussion of the Federal decisionmaking process as it relates to international narcotics control matters.

11. CHICAGO REPORT SCNAC-95-1 (NOT ASSIGNED) REPORT OF  
INVESTIGATION OF NARCOTICS TRAFFICKING PROCEEDS

This report is the product of extensive investigation of heroin trafficking in Chicago and a 2-day hearing on September 30 and October 1, 1977, on the transport of heroin from Durango, Mexico, the laundering of money in Chicago, and the transfer of funds to Mexico.

The testimony of the Drug Enforcement Administration (DEA), Internal Revenue Service (IRS), Customs Service, Illinois State Department of Financial Institution, and Chicago Police, indicated a fragmentation of efforts and priorities. The hearings indicated that a crackdown upon a trafficker's financial assets and movement of money is one of the most useful tools available to law enforcement authorities, and when used, the results can be significant.

Since the hearings, governmental agencies have increased their efforts at hindering and preventing these financial operations. The IRS

has dispatched a special task force to Chicago, to prosecute flagrant violators; the Treasury Department has conferred with the committee with the intention of using the committee's findings in its Amended Bank Secrecy Act rules and regulations; DEA has received valuable information which it has used in its on-going financial investigations; and the State of Illinois is currently auditing currency exchanges with renewed emphasis and thoroughness.

The report concludes with recommendations for legislative and administrative changes.

#### D. SERVICES PROVIDED TO STANDING COMMITTEES

##### 1. GENERAL

Practical assistance has been given to many Members of the House on an almost daily basis by the committee staff. In addition to sending copies of all committee publications to all Members of the House, the staff has provided the seven standing committees having jurisdiction over drug abuse matters with advanced texts of committee publications and with personal liaison on numerous occasions. The staff has had over 100 conferences with standing committee members and staff.

The committee has proposed legislative suggestions to the standing committees in many of its reports. For example, recommendations were made to both the Ways and Means Committee and the Banking and Currency Committee regarding weaknesses in the Bank Secrecy Act of 1974 and the Tax Reform Act of 1976. In each of these instances, suggestions were made to amend these acts to prohibit the transfer of illicit money.

Some members of the Select Committee introduced measures with regard to reducing the penalties for the personal use of small amounts of marijuana. Other Members testified before the House Committee on Government Operations with respect to the termination of the Office of Drug Abuse Policy by the President's Reorganization Plan No. 1 of 1977. Various Committee members together with staff have advised the Members and staff of standing committees on topics involving current legislation concerns. For example, of the nine Members introducing bills supporting ratification of the Psychotropic Convention, seven were members of the Select Committee. Through the efforts of Members, the position of the Coast Guard in law enforcement activities was strengthened. Additional appropriations were provided to both the National Institute on Drug Abuse and the Drug Enforcement Administration as a result of the Select Committee's representations. Various Department of State protocols, treaties and declarations were enhanced by support from members of the Select Committee.

The Select Committee also sought to achieve better cooperation between the Congress and the executive agencies. No factfinding mission abroad was undertaken without the presence of the leading executive agencies including, but not limited to, the Departments of State, Justice, Treasury, and Health, Education, and Welfare, the Drug Enforcement Administration, the National Institute on Drug Abuse, the U.S. Customs Service, the Immigration and Naturalization Service,

and other Federal agencies involved in drug abuse prevention and control.

Specific legislative proposals initiated by the Select Committee are pending in the standing committees and in the House. These bills, if enacted, will serve to strengthen the Nation's continuing focus on drug abuse problem solutions.

## 2. CONGRESSIONAL RESOURCE GUIDE

In keeping with its mandate to engage in a comprehensive and continuous study of drug abuse in the United States, the Select Committee, during 1977, undertook the development of a Congressional Resource Guide to explain the Federal effort in narcotic abuse and control. This document, presently completed but in draft form, aggregates for the first time, all available information on the Federal drug abuse effort from 1969 through 1976. The guide reviews the three major components of the Federal narcotic effort including legislation, budget, and Federal program organization. The guide contains authorizing and enabling drug-specific and drug-impacting legislation, Government agencies involved in the Federal effort, and the level of funding of the drug abuse effort by program area. The resulting package is the first definitive guide to the Federal drug abuse effort and will be an invaluable tool for evaluating the Federal effort over the past several years of turmoil in the field. The guide will be useful not only to Members of Congress and staff, but also to the executive agencies, the Judiciary and the private sector. The guide will be published in early 1978.

## E. SPEECHES AND OTHER PUBLIC EDUCATION

In accord with the Select Committee's responsibility to coordinate congressional drug abuse oversight activities, the chairman and various members of the committee have presented a congressional viewpoint on this problem to Government organizations, international bodies and the public at large. Through personal appearances, speeches and presentations through the media, members of the Select Committee, and its chief counsel have informed the Nation not only of the concern of the Congress in checking the rampage of drug abuse in our society, but also of the concrete recommendations and legislation that Congress might enact to improve current approaches to the reduction of both supply and demand for drugs. That these views have been widely disseminated is evidenced in the attention given them by the national and international media, and world opinion.

### 1. SPEECHES

December 1976—Joseph L. Nellis, chief counsel, Commencement Address, Drug Enforcement Administration.

January 1977—Chairman Lester L. Wolff, January 11th, Floor of the House, upon Select Committee Reconstitution.

February 1977—Joseph L. Nellis, chief counsel, League of Cities Conference, Washington, D.C.

- March 1977—Joseph L. Nellis, chief counsel, Executive Board, National Institute on Drug Abuse, National Advisory Committee on Drug Abuse.
- May 17, 1977—Chairman Lester L. Wolff, Southeast Asia Drug Trafficking, Floor of the House.
- May 17, 1977—Congressman Benjamin A. Gilman, before the 17th Mexico-United States Interparliamentary Conference, Hermosillo, Sonora, Mexico.
- June 1977—Chairman Lester L. Wolff, Speech before the National Womens Alliance, Washington, D.C.
- July 1977—Congressman Benjamin A. Gilman, floor Statement Against the Abolishing of ODAP; Joseph L. Nellis, University of Washington, Seattle. (Drug Abuse Conference).
- August 1977—Congressman Morgan F. Murphy, Drugs in School, Chicago Teachers Association.
- September 1977—Joseph L. Nellis, chief counsel, Seminar Presentation to the Washington Area Narcotics Enforcement Officers.
- November 1977—Chairman Lester L. Wolff, Statement before the 32d Session of the United Nations General Assembly, in the Third Committee, on Narcotics.
- December 1977—Joseph L. Nellis, chief counsel, NORML, National Organization for the Reform of Marihuana Laws, Drug Abuse Conference, International Controls.

## 2. PRESS CONFERENCES AND RELEASES

- September 21, 1976 News Release—Opening Remarks of Chairman, Lester L. Wolff, Select Committee on Narcotics Abuse and Control—Initial Session of Select Committee.
- September 28, 1976 News Release—Chairman Lester L. Wolff, Select Committee on Narcotics Abuse and Control Warns of Turkish Opium Surpluses.
- November 18, 1976 News Release—Congressman Rangel, Chair's Select Committee on Narcotics Abuse and Control. New York City Hearings on Drug Law Enforcement.
- November 20, 1976—Statement by Lester L. Wolff to His Holiness, Pope Paul VI.
- November 21, 1976—Statement by Pope Paul VI to the Select Committee on Narcotics Abuse and Control.
- December 2, 1976 Press Conference—Statement of the Chairman, Lester L. Wolff—Joint Mission to Seven Nations: France, Switzerland, Egypt, Germany, Pakistan, Afghanistan, Italy—Proposal for International Conference.
- February 23, 1977—Statement of Chairman Lester L. Wolff. Release to the Public of the Select Committee's Interim Report.
- March 11, 1977 Press Release—Select Committee Hearings on Decriminalization of Marihuana.
- March 24-28, 1977 Press Conference—Statement of the Chairman, Lester L. Wolff—Fact-Finding Mission and Personal Observation of the Committee on the Tour of Southwest Border.

- March 31, 1977 United States Congress News—Lester L. Wolff to Lead Congressional Delegation to Asia.
- March 31, 1977 News Release—Tour of the Southwest Border Report of Findings.
- April 5, 1977 Press Release—Chairman, Lester L. Wolff Praises Recent New York City Attack on Organized Drug Traffickers.
- April 27, 1977 News Release—Select Committee Lauds Norwegian Support of United States Fund for Drug Abuse Control (UNFDAC), Challenges Soviet Union and China.
- May 17, 1977 News Release—Select Committee Applauds Expanded Concern for International Drug Problems by Swedish Government.
- May 18, 1977. United States Congress News—Chairman Lester L. Wolff to Announce Names of International Heroin Traffickers.
- June 8, 1977 News Release—Chairman Lester L. Wolff, Congressmen Burke and Gilman—Results of 17th Mexico-United States Interparliamentary Conference.
- June 10, 1977—Remarks by Chairman, Lester L. Wolff at the Press Conference of the Select Committee on Narcotics concerning the 17th Mexico-United States Interparliamentary Conference.
- June 10, 1977—Remarks by Congressman Gilman at the Press Conference of the Select Committee on Narcotics Abuse and Control—The Hermosillo Declaration on Narcotics—Mexicans Declare War on Drugs.
- July 7, 1977 News Release—Select Committee to Explore Urgent Administration Program and Alternative Policies for Dealing with Southeast Asian Opium and Heroin.
- July 28, 1977 News Release—House of Representatives, Select Committee on Narcotics Chief Counsel Reviews International Anti-Narcotics Efforts.
- August 4, 1977—Statement of Chairman Lester L. Wolff Regarding the President's Message on Drug Abuse on August 2, 1977.
- August 8, 1977 News Release—Statement made by the Chairman, Lester L. Wolff—Select Committee to Take Action Against Cocaine Epidemic.
- August 17, 1977 News Release—Chairman Lester L. Wolff of the Select Committee on Narcotics Abuse and Control—Narcotics Trafficking in Peru Proves Costly.
- August 25, 1977 News Release—Congressman Burke, Discourages Decriminalization of Marihuana.
- September 2, 1977 News Release—Select Committee on Narcotics Abuse and Control Reports on South American Fact-Finding Mission.
- September 7, 1977 News Release—Statement by the Chairman, Lester L. Wolff—Growing Threat of South American Cocaine.
- September 22, 1977 News Release—Congressman Rangel Proposes Transfer of Narcotics Case Backlog from New York City to Federal Jurisdiction.
- October 20, 1977 News Release—Chairman Lester L. Wolff will Conduct a Tour for United Nations Delegates through Harlem and Two New York City Detoxification Centers.
- October 25, 1977 News Release—Chairman Lester L. Wolff Leads United Nations Delegates on Inspection Tour of New York City Key Narcotics Problem Areas and Treatment Facilities.

December 7, 1977 News Release—Introduction of Chairman Lester L. Wolff's Resolution to the United Nations Third Committee on International Drug Control.

## F. MISCELLANEOUS

### 1. PSYCHOTROPIC CONVENTION

Under the leadership of Congressman Rogers and Congressman Rodino, the Select Committee has been very active in seeking congressional endorsement of the Convention on Psychotropic Substances which seeks to control the production, manufacture, distribution and sale of certain psychotropic substances having a high potential for abuse. More than forty nations have ratified the convention thus making it a viable instrument of international drug control.

### 2. UNITED NATIONS RESOLUTION

Chairman Wolff, on November 28, 1977, introduced a precedent-setting resolution on narcotics before the 32d Session of the United Nations General Assembly, in the Third Committee, on Narcotics. The resolution calls for a global effort to combat drug abuse by creating an international facility at Vienna that would attempt to solve the growing drug menace through international cooperation. Response to the chairman's proposal was very encouraging and there is strong likelihood that the resolution will be adopted and acted upon.

### 3. HERMOSILLO DECLARATION

At the 17th Mexico-United States Interparliamentary Conference at Hermosillo, Sonora, Mexico (May 26-31, 1977), Congressman Gilman presented a paper on narcotics trafficking that provided the basis for what has become known as the Hermosillo Declaration. The Declaration, which was signed by the delegates from both Mexico and the United States, condemns the illegal cultivation of all narcotic producing plants and expresses the desire by Mexico and the United States to intensify their efforts to eradicate the cultivation, traffic, use and abuse of heroin and other dangerous drugs. On June 27, Mr. Gilman introduced H. Con. Res. 265 (cosponsored by Congressmen Burke and de la Garza, and all other Members of the Congressional delegation attending the Hermosillo Conference), endorsing the Hermosillo Declaration. H. Con. Res. 265 passed the House on October 31.

### 4. PRESIDENT'S MESSAGE

On August 2, 1977, President Carter delivered a major address on drug abuse to the Congress. The Select Committee provided major input into the preparation of this speech, which called for a national policy on drug abuse and the need for international cooperation in meeting its challenge. The need for a unified and well-orchestrated Federal campaign to end drug abuse was also cited with the pledge that all Federal agencies must work together to fight drug abuse.

**END**