

Statement of Record

**United States Senate
Committee on Finance**

September 18, 2007
215 Dirksen Senate Building
Washington, DC

**Breaking the Methamphetamine Supply Chain: Meeting
Challenges at the Border**

Thank you for the opportunity to submit a written statement for the record on today's important hearing before the U.S. Senate Committee on Finance. The Consumer Healthcare Products Association (CHPA) is the 126-year-old trade association representing over 200 companies who are involved in the manufacturing, distribution, and promotion of nonprescription or over-the-counter (OTC) medicines and nutritional supplements.

Methamphetamine has been characterized as one of the most serious drug abuse trends in many years, mainly because of its unique impact on our law enforcement, healthcare, and family services systems. CHPA has been deeply involved in this issue because one of the precursor chemicals used to make methamphetamine, pseudoephedrine, is found in millions of household medicine cabinets across America. Approved by the U.S. Food and Drug Administration for over-the-counter distribution, pseudoephedrine (PSE) is a nasal decongestant and is sold as either a single-ingredient product or in combination with other active ingredients.

Meth is manufactured by two types of illicit producers. The first is by super labs, which obtain their PSE through smuggling and poorly-monitored spot markets. Most super labs are in Mexico and the southwestern United States. DEA has estimated that super labs are the source of approximately 80 percent of the meth used in this country.

The second type of meth production is from small labs, many of which had been able to purchase or steal quantities of legitimate OTC medicines from traditional retail outlets. DEA indicates that products sold almost exclusively through nonconventional outlets are far more likely to be diverted in substantial quantities to meth production.

In order to address the growing problem of small toxic meth labs, we believe that Congress was right in passing the Combat Methamphetamine Epidemic Act (CMEA). Signed into law by the President in March of 2006, the CMEA limits access to OTC medicines that contain PSE by requiring that products be sold from behind a counter or from a locked cabinet. The law also limits the amount of PSE that a person can purchase and requires retailers to keep a log book of all PSE transactions and check the identification of all purchasers. DEA has new authority to monitor and restrict the amount of PSE being imported into the United States and it can prevent transfers of bulk ingredients to purchasers who have not been approved.

There is no question that the CMEA is working. DEA and local law enforcement report that the number of small toxic labs around the country has decreased dramatically, in some locations by as much as two-thirds. Working in partnership with DEA, legitimate OTC medicine manufacturers, distributors, and retailers are carefully monitoring the use and transportation of PSE products, and reporting suspicious activity to authorities. The DEA has also correctly established the designation of PSE handlers into three distinct groups: importers and manufacturers of prescription drugs; importers and manufacturers of OTC products that are sold primarily through conventional retail outlets; and importers and manufacturers of OTC products that are sold almost exclusively through nonconventional outlets.

Even though significant progress is being made in eliminating the production of meth in the United States, a lot more needs to be done. Because of the fact that 80 percent of the meth supply in the United States comes from Mexico from large “super labs” operated by international narco-traffickers, there remains a tremendous amount of work to be done on the international front. With increased international cooperation, fighting the spread of meth could further be controlled through restrictions on the amount of precursor chemicals transferred from country to country. If countries were only allowed enough PSE for the legal manufacturing of cold and allergy medicines, super labs would not have access to these chemicals for large-scale meth production through the spot market. Congressional action on additional border enforcement and better tracking of PSE shipments around the world will have a significant impact on the availability of meth in this U.S.

CMEA also authorized over \$90 million to assist state and local law enforcement in the investigation and prosecution of meth cases. Congress should appropriate the highest level of funding allowed by law to assist state and local officials in eliminating meth from their communities.

In its efforts to further decrease meth use and addiction in this country, Congress must approve greater funding for prevention, education, and treatment. Because of the fact that meth use has not gone down since the enactment of CMEA, state and local governments continue to see an increase in the number of meth-related crimes and child welfare contacts.

Since a majority of meth in the U.S. is coming from outside our borders, experts report that reducing the demand for meth is the most important element to any anti-meth strategy. To assist in this effort, CHPA helped create and has supported an innovative program developed by the Partnership for a Drug-Free America, the American Academy of Pediatrics, and DEA. The

initiative seeks to use pediatricians and the media to help communicate to young people the health consequences of meth use, thereby reducing its demand. Research results from the program show a significant impact on parents' and teens' attitudes about meth as a health risk. Congress should make funds available to expand the program.

Again, thank you very much for the opportunity to provide a statement for the hearing record. We appreciate all that the Committee has done to focus attention on the meth problem in the United States. The Combat Methamphetamine Epidemic Act has been a tremendous success in reducing the number of small labs in the U.S. Much more can be done to stop meth trafficking and use, and we look forward to doing our part.