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Divider Title: _____

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

1. Q. What is your view about the need for and promise of coerced treatment, in other words, treatment by demand, particularly in the criminal justice system? Will you be committed to expanding these programs?
- A. I have seen the research Dr. Kleber referred to, which indicates that drug treatment is just as effective when it is coerced as when it is voluntary. Either way, society wins because a drug-free individual will commit less crime, suffer fewer health problems, and be more likely to hold down a productive job. The criminal justice system already plays a major -- and should, I believe, play an even greater -- role in persuading, and if need be coercing, persons to seek drug treatment. It has been estimated that up to 30 percent of all those in drug treatment have been encouraged to seek it as a result of criminal justice sanctions. There remains, however, a serious lack of available treatment in our prisons and jails, where a vast number of persons with drug problems are housed. I intend to place a high priority on expanding treatment opportunities for such persons, both in our state and local prisons and jails as well as in Federal institutions. I also expect to work closely with the Attorney General in this area.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

2. Q. What are your views about including drug treatment in any health care reform package?
- A. I understand that the First Lady's Health Care Task Force is looking into including drug treatment in its comprehensive health care package. I applaud their consideration of this issue, and would encourage the Task Force to make appropriate coverage of substance abuse treatment a part of their eventual health care plan.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

3. Q. If you are confirmed, what will you do to tackle these "turf wars"?

A. If I am confirmed, I intend to look into the matter of so-called "turf wars" thoroughly. This issue has from time to time surfaced as a major problem, and as a law enforcement official in some of our Nation's major cities, I can tell you that the phenomenon is not unknown to me, nor is it unique to the Federal government. Wherever you have dedicated, aggressive people, you can expect to find a certain level of this.

I would also note, though, that "turf wars" are not confined to law enforcement. They can and do exist in demand reduction agencies - and throughout the executive branch agencies.

Having said that, however, I would observe that sometimes these problems can be alleviated by clarifying roles and missions, and providing strong leadership. I think the Director of ONDCP should do both of these things, and if I am confirmed I would intend to work to reduce the level of "turf" problems.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

4. Q. So, will you commit to undertaking a complete review of the organization of the federal anti-drug effort?
- A. I intend during the course of the next several months to review carefully the roles and missions of the Federal drug control programs to see how these might be clarified and how our efforts to reduce drug use in America can be made more effective and efficient.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

5. Q. Will you seek ways to assure that agents and agency performance is evaluated to reflect the key role of coordination with other agents and agencies?
- A. Yes. I believe that such a step would help reduce "turf wars." We need to be sure that the concept of an actual performance standard is firmly embedded in agency practice and that cooperation -- rather than its absence -- characterizes our efforts to reduce drug abuse.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

6. Q. Have you had a chance to take a look at the intelligence issue?

A. I have not had an opportunity to review systematically all of the GAO reports to which you refer, or the overall area of drug intelligence. I believe, however, that intelligence is a very important part of our drug control efforts but that it needs to be focused and effective. I think that it is important to minimize duplication of effort and maximize our collection and reporting efforts.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

7. Q. Is the Administration reviewing this issue?

A. There is no comprehensive review of our overall intelligence effort currently underway. The Administration is reviewing our foreign and defense intelligence programs as part of the Presidential Review Directive (PRD) on foreign counternarcotics programs currently being conducted by the National Security Council. If confirmed I expect to have full input into the final recommendations of that review.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

8. Q. I realize that the Administration is reviewing this right now, but can you give us your views on the efficacy of interdiction?

A. Interdiction is something that needs to be done to help reduce the overall supply of drugs. But interdiction is expensive and difficult, and less effective than we would like. Not conducting interdiction operations, however, would seem to be ill-advised, inasmuch as we could expect to see an immediate and significant increase in the flow of drugs to the United States, with a concomitant increase in drug abuse, addiction, and violence in our cities and towns.

Surely the answer lies not in abandoning interdiction, but in making it more effective without raising its cost, and being certain that we're clear about our expectations.

QUESTIONS FROM CHAIRMAN JOSEPH R. BIDEN, JR.

9. Q. Can we consider shifting some of these resources into other areas?
- A. I would not want to commit to shifting any resources, Mr. Chairman, until I've had the opportunity to fully review current Federal drug control programs. But when I have the opportunity to do so, I will focus on spending our scarce resources on those programs that -- based on hard data -- work best.

QUESTIONS BY SENATOR DENNIS DECONCINI

1. Q. Do you believe with the downsizing of the Drug Czar's office under the Clinton Administration that this figure is too high?
 - A. I agree that under the previous Administration, ONDCP had too many political staff. Upon my confirmation, one of my first tasks will be to develop a new organizational and staffing plan for a streamlined and revitalized ONDCP. At that time, I will be in a better position to express a view on what specific percentage of political staff would be appropriate.

QUESTIONS BY SENATOR DENNIS DECONCINI

2. Q. What do you view as the role of DoD in combating the drug war? Do you believe that it should be enhanced or should greater resources be provided to those agencies that are specifically tasked with deterring and stopping the flow of illegal narcotics into the United States?
- A. I certainly support efforts to deter the flow of illegal drugs into the United States, and I believe that interdiction must continue to be part of a balanced National Drug Control Strategy. There are many agencies involved in this effort, none of them a perfect instrument for the unique task at hand. The issue, I believe, is to create combinations of these various instruments that result in an improvement in our performance in this area. I believe that, properly designed, such joint efforts and operations can result in an outcome greater than the sum of the individual parts. I come with no preconceptions as to which entity has the greater claim on resources. Obviously, each has much to contribute, and we should use whatever tools we can -- within the constraints of law -- in our task.

QUESTIONS BY SENATOR DENNIS DECONCINI

3. Q. Dr. Brown, what do you intend to do in order to ensure that state and local law enforcement as well as DoD resources and information are made available to the men and women on the front lines?

A. First, our policy and strategy must be truly national, not just Federal, and that means that many different sectors of our society have roles to play in reducing drug abuse. The Federal government can provide leadership and direction, as well as financial assistance.

In this regard, a variety of Federal programs provide support. For example, I am of course not only familiar with but supportive of the High Intensity Drug Trafficking Areas program, which provides Federal assistance to state and local law enforcement agencies and individuals in five major trafficking areas in the Nation. In addition, the Counter-Drug Technology Assessment Center helps get sophisticated technology into the hands of law enforcement officials. The Office of Justice Programs provides grants for state and local anti-drug law enforcement efforts. The Department of Defense provides assistance through the National Guard and other means to law enforcement personnel in combatting drugs. DEA supports numerous state and local task forces.

And the President has proposed major initiatives that will channel significant sums to those fighting drugs. These include the Community Partnerships Against Crime initiative in HUD (\$265 million) and the President's Empowerment Zone legislation.

QUESTIONS BY SENATOR DENNIS DECONCINI

4. Q. Dr. Brown, how do you propose that we better consolidate our intelligence gathering activities so that we are all working off the same page? What initiative will you take to ensure that this happens?

A. I am familiar with the GAO report, released in April 1993. Though it contains no specific recommendations, it highlights a number of areas of concern, including duplication, overlap, lack of coordination, and issues of authority.

At this point, I would offer no specific recommendations in this area, but I assure you that I will consult broadly with the intelligence community, law enforcement agencies, and the appropriate committees and Members of Congress in developing recommendations to deal with these problems.

Clearly, much of our success in reducing the supply of drugs depends on prior intelligence, and we should improve our performance in this area.

QUESTIONS BY SENATOR DENNIS DECONCINI

5. Q. With all these intelligence resources, how will you ensure, for instance, that the U.S. Customs Inspector, the Border Patrol Agent, or the cop on the street will be made aware of drug activities so that he or she can better combat drug smuggling?
- A. I have not had the opportunity to review completely the existing drug intelligence programs. I understand, however, that there has been considerable effort made over the past few years to improve the flow of tactical intelligence to the Customs inspectors and Border Patrol agents. I recognize that much more needs to be done and will work with both the enforcement community and the foreign and defense intelligence agencies to try to make even more improvements.

QUESTIONS BY SENATOR DENNIS DECONCINI

6. Q. While I recognize that you are walking into an office where the President has already laid out his plan to reduce the size of this office to 25, to date I have not seen a functional plan for the Office and wonder if you can shed any light on how you see the Office operating with a staff of 25?
- A. I understand and appreciate your concerns about whether ONDCP will be able to fulfill all its responsibilities with a staff of 25. The best answer I can give you at this point, Senator, is that I fully intend for ONDCP to play its role in an effective manner, and I will see to it that it has sufficient staff to do the job. I would add my sense that in the past, ONDCP's difficulties in coordinating Federal drug control policy had to do with a lack of leadership. By giving the Director clear Cabinet status, the President has provided me the most important tool I need to exercise the leadership that has been lacking. With improved cooperation from the other National Drug Control Program Agencies and with a more efficient management structure, I believe ONDCP can do a fine job at a reduced staff level.

QUESTIONS BY SENATOR DENNIS DECONCINI

7. Q. How many staff do you envision to carry out this function under your Directorship and if you can, will you explain to the Committee how this responsibility to certify that agency budgets are consistent with the National Drug Control Strategy will be accomplished with only 1 budget analyst.
- A. I view the review and certification of Federal agencies' drug budgets as one of the most important functions of ONDCP. In developing a new organizational and staffing pattern for ONDCP, I intend to take into account the need for experienced budget analysts. Pending the outcome of that review, I cannot at this time cite a specific number of budget analysts we will need.

QUESTIONS BY SENATOR DENNIS DECONCINI

8. Q. Dr. Brown, does it make sense to you to eliminate all of the career personnel who have expertise in many of the programs you will be expected to oversee particularly when you will have to hire new people and start from square one?
- A. In reducing the size of the ONDCP staff, there is no intention to eliminate the entire existing career staff. On the contrary, I anticipate that some current staff may remain under a streamlined organizational and staffing pattern.

QUESTIONS BY SENATOR DENNIS DECONCINI

9. Q. Will there be a reduction in force, if so, what will be the costs?
- A. The White House has hired two full-time employees to assist ONDCP in locating other appropriate positions in the Federal government. A number of employees have already found other jobs, but in order to achieve the President's staffing reduction goal, it is likely that a Reduction in Force will have to be initiated. The cost of conducting such a RIF will depend on the number and grade of employees who may have to be separated and that will be a function of the number of employees on-board when the RIF is executed, and the new staffing and organizational plan yet to be developed. ONDCP is currently projecting that a RIF would cost approximately \$1.4 million, for severance pay and lump-sum leave costs.

QUESTIONS BY SENATOR DENNIS DECONCINI

10. Q. If the rescission, as proposed in the White House supplemental is enacted, taking approximately \$4 million from your '93 budget, will there be sufficient funds in the ONDCP budget to cover the costs of RIFS?
- A. My understanding is that the estimated cost of executing a RIF was factored into the rescission request.

QUESTIONS BY SENATOR DENNIS DECONCINI

11. Q. The 25 staff positions for your office, as I understand it include detailees as well. Is this your understanding?
- A. My understanding is that the Administration has determined that the 25 staff positions will include detailees, if any.

QUESTIONS BY SENATOR DENNIS DECONCINI

12. Q. (IF YES) Then you won't even be able to take advantage of the expertise of other agencies, correct?
- A. I fully expect to have an excellent working relationship with other members of the Cabinet and agency heads, and that they will contribute whatever expertise from their agencies may be required and appropriate, without necessarily detailing their staff to ONDCP.

QUESTIONS BY SENATOR DENNIS DECONCINI

13. Q. Can you tell me your plans for this office (CTAC) which is currently funded to support a staff component of 5?

A. I support efforts to coordinate drug-related R&D and to enhance the abilities of our law enforcement officials with sophisticated technology. Some significant advances are in the pipeline in this area.

I believe the responsibility for overseeing CTAC is properly placed by legislation under the Director of ONDCP, and it is my intention to continue to oversee Federal counter-drug R & D policy in ONDCP. It may not, however, be necessary to have five staff devoted to this function. We will be looking at ways of carrying out our R & D oversight responsibilities at a reduced staffing level.

QUESTIONS BY SENATOR DENNIS DECONCINI

14. Q. In the past two years, we have provided direct funding to CTAC to undertake counter-drug research and development projects, \$20 million in FY 92 and \$18 million in FY 93. I believe this funding has been very useful in permitting ONDCP to make the decisions on R&D priorities. Do you believe this funding should continue and if not, how do you expect ONDCP to play a critical role in assuring the proper development and availability of counter-drug technologies to the agencies who need them most?

A. I support the development and transfer to law enforcement agencies of advanced technology that will assist in the campaign against drug trafficking.

The President's FY94 budget includes \$28 million in Special Forfeiture Funds, to be provided to the Director to be used in support of priorities of the National Strategy. CTAC was identified as one of the possible priorities for the use of these funds. The House Appropriations Subcommittee has allocated \$5 million in the SFF account to CTAC.

I also believe that ONDCP can and should continue to play a key role in establishing the R&D priorities of those engaged against drugs, and I am hopeful that other agencies will increase their support in this area.

QUESTIONS BY SENATOR DENNIS DECONCINI

15. Q. Can you tell me if you have any thoughts in this area and what plans the Clinton Administration has with reference to the Andean strategy?
- A. I am committed to doing all I can to reduce the flow of drugs into this country, especially from and through the nations to our south. I also am very much aware of the efforts and sacrifices a number of Latin American nations have made, and are making, to fight drug trafficking in partnership with the U.S. I do not believe it would be wise policy to walk away from those nations that have clearly demonstrated the national will to work with us in this area. That said, however, I also believe that it is entirely appropriate that the Administration conduct a thoroughgoing review of programs and policies in this area -- as the NSC has already begun -- and that we make recommendations to the President on how our programs and our policies can be made more effective.

QUESTIONS BY SENATOR DENNIS DECONCINI

16. Q. I would encourage you to go to Panama and meet with General Joulwan. Will you do this?
- A. I very much appreciate your suggestion, Senator, and I have every intention of meeting with Gen. Joulwan at the earliest opportunity.

QUESTIONS BY SENATOR DENNIS DECONCINI

17. Q. What I am concerned about is that the NSC is preparing such a document in the absence of a Drug Czar. Dr. Brown, I have heard that the process is to put the State Department at the lead on these matters and ONDCP will lose this role due to a lack of staff and resources. I think this is a mistake and want to get your thoughts on the role of ONDCP.
- A. I understand your concerns and if confirmed I intend to exercise my full statutory authority in this area. I also expect to play my proper role in developing drug-related foreign policy recommendations for the President. With respect to staffing, I believe that even with fewer staff I will be able to carry out an assertive leadership role in shaping international drug control policy. Concerning the NSC's review of international programs, I can assure you that no decisions will be made in this area until after an ONDCP Director is confirmed.

QUESTIONS BY SENATOR DENNIS DECONCINI

18. Q. Dr. Brown, I have been very concerned that during the change in Administrations that drug control programs have been left by the wayside. What are your plans to develop a national drug control strategy and can you give us some idea of what it should include?

A. I am aware that drug control programs and agencies, as well as States and localities and the private sector are looking for guidance in the area of drug control. If confirmed, I will work as quickly as possible to put forward a Drug Strategy that articulates the broad policy parameters for this Administration's National Drug Control Policy. Afterwards, I intend to conduct a full review of current Drug Control Programs and the National Drug Control Strategy.

Obviously, it is too early to provide details on what a Strategy should contain, but it clearly must be based on extensive consultation with the broad range of individuals, agencies, and the Congress who are involved in drug control. It needs to be balanced. It needs to establish priorities for our efforts. It needs to state the threat -- the problem -- clearly and articulate a reasonable and realistic approach to dealing with it, including specific goals for achieving results, as required by law.

QUESTIONS BY SENATOR DENNIS DECONCINI

19. Q. What are your thoughts on these new findings? Are you considering any change of strategy in order to better educate our younger students about drug and alcohol abuse?
- A. The survey data you referred to is cause for genuine concern. Although it is still too soon to know whether the eighth grader findings from the 1992 High School Senior Survey represent a trend, we should regard them as an early warning, a possible indication that our younger students are not receiving the anti-drug and alcohol prevention and education messages that appear to have had an effect on their older peers. I believe the Strategy should address these new findings.

QUESTIONS BY SENATOR DENNIS DECONCINI

20. Q. In Arizona we have a number of highly successful and effective drug education programs being administered, including the D.A.R.E. (Drug Abuse Resistance Education) program. What is your opinion of the D.A.R.E. program where police officers are brought into the classroom to help students with the skills to say NO to drugs?
- A. As a former police chief, I know how useful the DARE program can be to help turn young people away from drugs. In fact, I started the DARE program in Houston. I have always supported the program during my career in law enforcement, and I intend to strongly support the DARE program as Director of National Drug Control Policy.

QUESTIONS BY SENATOR DENNIS DECONCINI

21. Q. What do you believe are the most important elements a drug education program must incorporate?
- A. Although I know of no "one size fits all" prevention program that is effective for all groups, we do have a pretty good idea of what principles make for a good prevention program. First, the program should be geared to the characteristics of the audience. A program that will get the attention of high school juniors and seniors is probably not appropriate for preschoolers. Second, we know that the most effective prevention programs are community-wide. They involve schools, parents, community service groups, businesses, religious institutions, and others working together on a consistent, mutually-reinforcing prevention message. Third, the school must be a major site of prevention. Although a drug education curriculum, by itself, is probably not enough, I cannot imagine an effective drug prevention program that ignores the role of the school.

QUESTIONS BY SENATOR DENNIS DECONCINI

22. Q. What is your position on "treatment on demand?" What specific plans do you have for immediately expanding drug and alcohol treatment so that all individuals who need treatment can obtain it? Do you believe we have the ability in this country to provide treatment for every individual who seeks it?
- A. The main goal of drug treatment is to get drug users off of drugs and to help them stay off. To successfully achieve this goal, treatment must be available, appropriate and effective. In my view, Federal policy should be to expand treatment capacity, particularly for the populations and areas where there is the greatest need; and second, to improve treatment effectiveness. The President's FY 1994 budget requests \$2.54 billion for drug treatment, an increase of \$170 million over the previous year. In addition, including drug treatment in national health care coverage will dramatically increase the availability of treatment.

QUESTIONS BY SENATOR DENNIS DECONCINI

23. Q. The latest DAWN (Drug Abuse Warning Network) report, which records the number of drug-related hospital emergency room visits, found that heroin episodes were at their highest level since DAWN data was first collected in 1988. There was also a significant increase in the number of cocaine-related episodes from the second quarter of 1992 to the third quarter. Again, could you comment on these results and would you let us know what changes you would recommend in our national drug treatment strategy.
- A. I am very concerned about the increases in drug-related medical emergencies. One possible reason for the increases is the high purity and continued ready availability of these drugs -- principally heroin and cocaine -- on our streets. The bulk of the emergencies continues to occur predominantly among older, long-term substance abusers who are now suffering the consequences of their substance abuse. And they are increasingly concentrated in large urban areas. These statistics underscore the urgent need to expand our efforts to provide effective drug treatment, and to educate young people about the dangers of drugs. That is why the President is seeking over \$400 million in additional funds for these areas in FY 1994.

QUESTIONS BY SENATOR DENNIS DECONCINI

24. Q. Research indicates that by separating a substance-abusing mother from her children you disempower her, discourage her, and remove her primary incentive for recovery. Do you support programs that allow women to bring their children into residential treatment with them?
- A. It is true that for many years -- and to a large extent, even now -- one of the chief impediments to women obtaining drug treatment was the lack of treatment programs that could make provisions for their children while the mothers were receiving treatment. In recent years, the number of programs that can accommodate women and their children has increased, but many more are needed. I will strongly support the expansion of Federal programs that help to meet this need.

QUESTIONS BY SENATOR DENNIS DECONCINI

25. Q. What should we do for the children of drug or alcohol addicted mothers who are incarcerated? Should they be included as part of the treatment process?

A. In the past several years, greater emphasis has been placed on the role of the family in the therapeutic process. Whether children should actually reside in the correctional facility would depend on a number of factors, including: the length of the sentence, the character of the facility, the age of the child, the strength of the bond that already exists between the child and the mother, the developmental opportunities that can be provided to the child in the institutional setting, and the psychological and emotional state of the mother and the child.

There already are many community-based residential treatment programs that permit children to reside with their mothers or fathers. And there already are experimental programs underway that allow mothers incarcerated in jails and prisons to reside with their infants and small children. We hope that these programs can answer the question of whether the mother's rehabilitation can be enhanced without harming the child.

Placement of the child, during the mother's period of incarceration, should be handled on a case-by-case basis, guided by a professional assessment of the role the child's presence will have on the mother's treatment and, more importantly, on the welfare of the child.

QUESTIONS BY SENATOR DENNIS DECONCINI

26. Q. To what extent will you give priority to advocating for comprehensive drug and alcohol treatment and prevention benefits in national health care reform?
- A. I understand that the First Lady's Health Care Task Force is considering ways to include substance abuse treatment coverage in their national health care plan. I strongly support the inclusion of such benefits.

QUESTIONS BY SENATOR DENNIS DECONCINI

27. Q. Do you believe a program like "Do Drugs, Do Time" can and should be implemented across the country?
- A. Maricopa County, Arizona's "Do Drugs, Do Time" program is an excellent program, which already has been adopted -- often with local modifications -- by other localities around the country. I strongly encourage the adoption of such programs.

QUESTIONS BY SENATOR DENNIS DECONCINI

28. Q. What do you see as the shortcomings of such a program?

A. I would only caution communities seeking to replicate Do Drugs, Do Time to be sure to plan the program in consultation with local judicial, law enforcement, drug treatment, and social service agencies to ensure the program is appropriate for local problems and local needs. I also urge such communities to consider their programs in the context of a larger drug prevention and education program.

QUESTIONS FROM SENATOR PATRICK LEAHY

1. Q. How will the inter-agency coordination under the new structure facilitate and improve the implementation of drug control strategies?

A. The President's clear intention to make the Drug Director a member of his Cabinet is a strong signal to other Cabinet members and agency heads of the priority that the President places on this issue.

I am confident that with his support and good will on the part of my colleagues in the Cabinet, the issue of agencies actually following through and implementing the objectives and goals of the Strategy will not be a problem.

QUESTIONS FROM SENATOR PATRICK LEAHY

2. Q. If large-scale drug traffickers are using such rural areas, what does this say about our abilities to prevent significant amounts of drugs from entering the United States?
- A. Drug trafficking has become an increasingly serious problem in a number of predominantly rural States and in many of our smaller communities. To counter this threat, I encourage the formation of multi-jurisdictional local task forces, composed of Federal, State, and local law enforcement agencies. Clearly, this is an area in which we have to do a better job.

QUESTIONS FROM SENATOR PATRICK LEAHY

3. Q. Does the difficulty of such a feat argue in favor of bolstering demand reduction efforts?
- A. I strongly support increased attention to demand reduction programs, especially those aimed at our younger children. I do not, however, view the efforts of Federal, State, and local law enforcement agencies to interdict drugs coming into this country as ineffective or pointless. Rather, I want to find ways to enhance their effectiveness so as to give demand reduction programs some breathing room in which to work.

QUESTIONS FROM SENATOR PATRICK LEAHY

4. Q. Attorney General Reno has said that she will review mandatory minimum sentences and deferral drug charging policies.

Will you be working with the Attorney General on this review, given your extensive background in drug law enforcement?

- A. I have met with the Attorney General, and it is my clear expectation and intention that I will be involved in these discussions, insofar as they affect drug policy.

QUESTIONS BY SENATOR PATRICK LEAHY

5. Q. How do you think we should balance the need for tough penalties for drug crimes with other goals that may be better attained through alternative sentencing in some cases? Would you start with nonviolent, first offenders?

A. We need more certainty of punishment if we are going to deter crime -- particularly drug-related crime. We need to insure that every criminal receives some punishment for his crime -- no unrestricted probation, no revolving system of justice.

As a practical matter, given our resources, that means imposing non-traditional punishments on some of these offenders: assignments to work programs, to community service, and to boot camps.

The point is simply this: people should know that in this country, if you commit a crime, you will be punished -- our lack of prison space or resources is not going to allow you to get off. And to achieve this goal, we have to be far more creative at the State and local level in designing potential punishments, particularly for youthful, first-time, and non-violent offenders.

QUESTIONS FROM SENATOR PATRICK LEAHY

6. Q. Do you believe that community service sentencing is an effective alternative for some drug offenders? If so, do you believe the American people are willing to accept this change in sentencing policies?
- A. In some circumstances it might be. Obviously, any proposals in this area would have to be worked out in careful and deliberate consultation with the appropriate Federal, State, and local officials.

QUESTIONS FROM SENATOR PATRICK LEAHY

7. Q. The New York Times recently reported that the use of crack is declining, or at least has leveled off.

To what extent do you attribute this drop to the previous National Drug Control Strategy?

- A. This is a difficult question to answer. According to the Times article, much of the decrease in crack use in New York is attributable to users recognizing the devastating effects that crack use has on people. I would also point out, however, that the article is based on anecdotal evidence. While casual use has declined nationwide, hard-core use has not, at least according to the most recent indicators.

I am encouraged by the Times report, however.

QUESTIONS FROM SENATOR PATRICK LEAHY

8. Q. Do you agree with the Times' point that people have seen the damage done by this drug, and are turning away from it?
- A. I certainly regard this as a distinct possibility. Our task is to find ways to help drug users to end their drug use, and I would hope to develop a Strategy that will assist in this effort.

QUESTIONS FROM SENATOR PATRICK LEAHY

9. Q. Some experts contend that heroin will replace crack cocaine as the next drug epidemic. Indeed, studies have shown that in the last five years production of heroin has risen dramatically.

What will the administration's general response be to the increase in heroin trafficking and use in the United States?

- A. As a former big city police chief, I saw more heroin, and purer heroin, on our streets. I also am concerned about the significant increase in heroin-related medical emergencies as reported by the DAWN system. We must watch this carefully, and we should refine our data collection instruments so we can more accurately gauge a possible resurgence of heroin use. The best response, I believe, is to increase the quality and availability of drug treatment, so as to help those addicted to kick the heroin habit, and to target increased law enforcement efforts on major points of entry -- especially New York City -- and on disrupting heroin trafficking organizations.

QUESTIONS FROM SENATOR PATRICK LEAHY

10. Q. What is your opinion or impression of needle exchange
(11) programs being implemented in various communities around the country?

What do you see as the advantages and disadvantages of such approach to drug abuse and the spread of contagious diseases?

- A. Although I am very concerned about the spread of the AIDS virus by and among intravenous drug users, I have serious misgivings about the government's sponsorship of needle exchange programs. As you may know, I opposed such programs as New York City Chief of Police because I did not believe the government should be sanctioning illegal drug use.

In addition, my understanding of the research literature on needle exchange programs is that such research is less than definitive as to the programs' efficacy; some research points to their being highly effective in reducing the sharing of contaminated needles, while other research, both in this country and abroad, suggests they are not. The research does indicate, however, that aggressive outreach programs may be of equal or greater effectiveness in persuading intravenous drug users to seek treatment. For this reason, I strongly support efforts to get intravenous drug users into treatment programs that will help those individuals to end their drug use altogether. That is still, in my view, the best solution to the problem.

QUESTIONS FROM SENATOR PATRICK LEAHY

12. Q. Has the Administration conducted a thorough reevaluation of the Andean Drug Initiative, and if so, what were the results? How will the Clinton Administration's international narcotics strategy in the Andes differ from that of past administrations? Why do you believe you will have better results, and what results do you expect?

A. The Administration is currently engaged in a full review of the Andean Strategy and I expect there to be some changes in emphasis and tactics, and possibly in objectives as well.

However, it is clear that we cannot abandon our allies in this effort. But the President has requested a reduction in funding for international drug control efforts in FY94, and I would expect that we will be seeking to identify those actions that have the most promise of being successful and placing our resources there.

QUESTIONS FROM SENATOR PATRICK LEAHY

13. Q. Is the Administration prepared to continue a military component to its international counter-narcotics program, particularly in the Andean countries? How do we reconcile such an approach in Peru and Bolivia with the Clinton Administration's commitment to giving priority to supporting democracy and human rights in its foreign policy?
- A. Our drug strategy should strongly support democracy and human rights as equal foreign policy objectives. In Bolivia, the Air Force and Navy are doing an excellent job supporting the counternarcotics police. Bolivia also has a good human rights record. In Peru, the war against the terrorists has led to human rights difficulties. We need to be sure our counter-narcotics efforts are fully consistent with those we are pursuing on behalf of democracy and human rights.

QUESTIONS FROM SENATOR PATRICK LEAHY

14. Q. If the Clinton Administration intends to continue a military component to its international counter-narcotics strategy, especially in the Andean region, how does it intend to keep counter-narcotics operations separate from the Peruvian counter-insurgency war against Sendero Luminoso? Is it really possible to keep these two military operations separate? If not, what is the Administration's authority to engage in a counter-insurgency campaign in Peru?
- A. Our objectives in Peru have and must continue to be consistent with our other objectives of promoting democracy and human rights. Our Peruvian strategy is being reviewed, but we will not pursue a separate counter-narcotics policy in Peru.

QUESTIONS FROM SENATOR PATRICK LEAHY

15. Q. If the Clinton Administration intends to continue the Andean Drug Initiative in some form, will it establish clear linkages between US assistance and specific steps in restoring democracy in Peru and in protecting human rights in all the Andean nations? Will you consult with Congress on what those specific steps should be?
- A. In my view, the U.S. should pursue a counter-narcotics policy that is consistent with and supportive of other U.S. policy interests, including democracy and human rights. I expect to be working closely with the Secretary of State in this area, and intend to consult with the Congress.

QUESTIONS BY SENATOR LARRY PRESSLER

1. Q. What will be your top priorities in carrying out the duties as the nation's Drug Control Policy Director?
 - A. As the President's point man on the drug issue, my first priority will be to launch the development of a National Drug Control Strategy by meeting with my colleagues in the Cabinet, as well as with the heads of the other major Federal drug control agencies. With respect to drug policy, the first point I would make is that I am resolutely opposed to legalizing drugs, and I intend that the National Drug Control Strategy be absolutely clear on that point. Beyond that, in light of the increasing concentration of the drug problem in hard-core drug using populations, I believe we should target Federal funds to programs that will address this group. We should put new funds into programs that will help our towns and cities to put more police officers on our streets, and to employ highly effective community policing strategies. We should increase the emphasis on demand reduction programs, particularly drug treatment and prevention programs for young people. And we should, in my view, conduct a thoroughgoing review of our interdiction and international programs so as to identify those programs that have worked and those that have not.

QUESTIONS BY SENATOR LARRY PRESSLER

2. Q. What can the Federal government do to provide effective assistance to local law enforcement to stem illegal drug activity in rural areas?
- A. Drug problems in our rural areas have too long been neglected, and that is why the President has proposed specific discretionary categorical program funding increases. Block grant funding is provided to State and local law enforcement through the Bureau of Justice Assistance. The High Intensity Drug Trafficking Areas program also assists in this area, especially along the Southwest Border. But law enforcement efforts can and should be supported with improved demand reduction efforts, and most of the \$830 million increase in funding in FY94 for drug programs will support demand reduction activities.

QUESTIONS BY SENATOR LARRY PRESSLER

3. Q. What is your view of Federal mandatory minimum sentencing guidelines for drug offenders? Do you support proposals to reduce sentences for drug offenders?
- A. We need more certainty of punishment if we are going to deter crime, particularly drug-related crime. Every criminal should receive some punishment for his crime. There should be no unrestricted probation, no revolving door system of justice.

Given resource constraints, however, this may mean giving serious consideration to imposing non-traditional punishments and alternatives to incarceration: boot camps, community service, and work programs. It is particularly important that we increase the availability and use of such options for youthful offenders, and for first-time non-violent offenders.

QUESTIONS BY SENATOR LARRY PRESSLER

4. Q. What is your assessment of the efficacy of multi-jurisdictional task forces in fighting drug-related criminal activity?
- A. As the former Chief of Police of four of our Nation's largest cities, I have participated in a number of multi-jurisdictional task forces involving local, State, and Federal law enforcement agencies. My experience is that such task forces can be a highly effective way to combat drug trafficking and drug-related crime, particularly when it involves sophisticated criminal enterprises. As Director of ONDCP, I will continue to support the formation of such task forces through the High Intensity Drug Trafficking Areas Program, OCDETF, and other means.

QUESTIONS BY SENATOR LARRY PRESSLER

5. Q. Do you regard asset forfeiture laws to be effective weapons in the war on drug-related crime?
- A. As Chief of Police in Houston and New York City, I had considerable experience with asset forfeiture and found it to be a highly effective in assisting State and local law enforcement in the war on drug-related crime. I expect our Asset Forfeiture laws to continue to play an important role in fighting drug-related crime.

QUESTIONS BY SENATOR LARRY PRESSLER

6. Q. What more can the Federal government do to stop the proliferation of illegal drug use among the nation's youth?
- A. The first line of defense in protecting our youth against drugs has got to be the family, the community, and the schools. But there is a great deal the Federal government can and should do to help parents, communities, and schools to do a better job in transmitting the prevention message. I believe the National Drug Control Strategy should increase its emphasis on prevention programs, particularly those that are targeted to our younger students. If we can succeed in reaching them early, we can stop the cycle of drug experimentation leading to heavy use.

QUESTIONS BY SENATOR LARRY PRESSLER

7. Q. Do you have any recommendations the State and local juvenile justice system can take to better address the problem of youth-related illegal drug activity?
- A. Experts estimate that more than 50 percent of all juvenile delinquency arrests involve illegal substances; clearly this is a very serious problem. I strongly encourage State and local juvenile justice agencies to form working partnerships with social service agencies, schools, and community groups as a means of combatting juvenile drug crime. One very promising example of such an approach is the Chicago Housing Authority's Ida P. Wells Community Initiative, recognized by the Juvenile Justice Coordinating Council as an outstanding program. I understand they have developed a comprehensive array of supportive health and social services for youthful residents of buildings that have been "swept" in Operation Clean Sweep. I also support, and have been personally involved in, mentorship programs that provide adult guidance to high risk youth.

QUESTIONS BY SENATOR LARRY PRESSLER

8. Q. What can be done to improve Federal efforts in the area of drug treatment?
- A. I intend to move the National Drug Control Strategy toward making drug treatment more available and more effective in this country. Federal policy should be to expand treatment capacity, particularly for the populations and areas where there is the greatest need, and to improve treatment effectiveness. The President's FY 1994 budget requests \$2.54 billion for drug treatment, an increase of \$170 million over the previous year. In addition, I support the inclusion of substance abuse benefits in the national health care package now being developed by the First Lady's Health Care Task Force.

QUESTIONS BY SENATOR LARRY PRESSLER

9. Q. What do you believe the Federal government should be doing in the area of foreign drug interdiction and eradication?

A. This issue is currently under review by the NSC and Federal counter-narcotics community. No final decision will be made until a Drug Director is confirmed.

However, serious questions have been raised about the efficacy of these programs, and a variety of proposals have been suggested. I would note that in many cases the terms interdiction and eradication are too broad to be meaningful. Eradication may work better in some places than in others. Certain forms of interdiction may be more effective than others. We need to be careful not to rush into abandoning an entire effort because of specific problems in particular areas. I would be hesitant to abandon an effort if doing so would result in an increase in the flow of drugs to the United States.

I expect the current PRD process to go into these matters in great detail and to determine what improvements or adjustments are needed.

QUESTIONS BY SENATOR LARRY PRESSLER

10. Q. Indian reservations in my state have terrible problems
(11) with drug abuse, particularly alcohol abuse. Have you
had an opportunity to examine drug problems on our
nation's indian reservations?

What is your assessment of what can be done to counter
the incidence and effects of drug abuse there?

- A. I am aware, Senator, that substance abuse problems are
extraordinarily severe in many of our Indian
reservations, particularly in our Western States and in
Alaska. I have not had extensive experience in this
particular area, however, and look forward to working
with you and other Members of Congress and community
leaders in affected States to become better informed
about the problem.

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**TREASURY, POSTAL SERVICE, AND GENERAL
GOVERNMENT APPROPRIATIONS FOR FIS-
CAL YEAR 1993**

WEDNESDAY, APRIL 1, 1992

**U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.**

The subcommittee met at 10 a.m., in room SD-192 Dirksen Senate Office Building, Hon. Dennis DeConcini (chairman) presiding.
Present: Senators DeConcini and D'Amato.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF NATIONAL DRUG CONTROL POLICY

**STATEMENT OF HON. ROBERT MARTINEZ, DIRECTOR
ACCOMPANIED BY BRUCE CARNES, DIRECTOR, PLANNING, BUDGET,
AND ADMINISTRATION**

OPENING REMARKS

Senator DECONCINI. The Subcommittee on Treasury, Postal Service, and General Government will come to order.

Today the subcommittee will take testimony on the fiscal year 1993 budget request of the Office of National Drug Control Policy. Testifying, of course, will be Governor Martinez, the Director; and Bruce Carnes, the Director of Planning, Budget, and Administration.

The fiscal year 1993 budget request for the Office of National Drug Control Policy totals \$18.3 million, and 130 full-time equivalent positions for salaries and expenses, \$50 million for Federal antidrug activities and high-intensity drug trafficking areas, and \$67.4 million for the special forfeiture fund.

In addition, the entire Federal budget for the drug control program totals \$12.7 billion, or an increase of \$780 million above the fiscal year 1992-enacted levels.

Governor Martinez, I welcome you here. It's difficult to review your office budget in isolation from the budgets of many of the Federal antidrug programs. We believe you have the right and duty to have not only your hand in these budgets, but have a great deal of influence in the direction in which these agencies participate in the drug war. Therefore, this morning I will spend the bulk of my time allotted on items affecting the big picture, not just your particular budget, and seek from you exactly what you and your office are doing to direct the war on drugs.

Before I started, I want to make some observations, Governor. The Office of National Drug Control Policy has now been in operation for 3 full years. Governor Martinez, you have been the director of the office for a little over a year. Any problems that occurred before that, I can understand that you would not be responsible for, although a number of the people on your staff have been there since the beginning.

I believe the Congress made the correct decision when we created this particular office. I was convinced that a centralized, coordinated, and independent body at the highest level of Government would permit us to make inroads in the war on drugs. I continue to stand by that concept.

However, I believe the administration has politicized the office and, in so doing, has undermined its purpose. It is my view instead of providing leadership on drug policy and exerting independence from the Federal agencies, the administration is using this office to promote political bickering, finger-pointing, and oneupmanship. Congress-bashing is very popular these days. I understand that, being a Member. There are certainly a lot of things that go on here that do not make me proud of being a Member of Congress.

However, when it comes to attention to the drug crisis, Governor, I am sure you know it was the Congress that struggled for 8 years with Ronald Reagan to get the administration to recognize there was a drug problem in this country. Even before Ronald Reagan, the Carter administration opposed the creation of this office, as did the Reagan administration. Only through the good offices, in my judgment, of Paul Laxalt was the Reagan administration finally convinced that it was coming and it was coming with a lot of Republican support, and they got on board. And it was this same Congress that fought with your office, Governor, to obtain major funding increases for drug programs under this administration.

Now, I understand politics, Governor. We have both been around a long time and we're grown up. We understand the importance of getting elected, and I appreciate that, and I don't take away the ability of President Bush or Vice President Quayle or you as politicians. And I respect that from the standpoint of that as a profession, and an honorable one, in my mind.

But I don't think the American public deserves political rhetoric, not from us nor from the administration, when it comes to the drug area, and especially from the office of which you are the director. I have listened to and read some of your speeches, Governor, as I mentioned to you in my office. You blame the Congress continuously for the decline in the Nation's focus on drug problems. You liken the Congress to ambulance chasers and allege we are contributing to the problem because we do not want to give the administration any credit for achievements.

Well, if there is a real progress like a decline in the use of drugs, if there are verifiable facts to back up your assertions that drug-related crimes and violence is declining, or if there is reason to believe that we are on the verge of victory in this war on drugs, I will give credit to President Bush, to you, to anybody, and I will absolutely declare that I had nothing to do with it, if that would help. And I am not looking for pats on the back; I have had plenty

of those and I understand what they are and when they're given and when they're not. That's not the point here.

But you haven't achieved victory, in this Senator's mind, nor has the Congress achieved victory in the war on drugs. The statistics you cite are one-sided, and violent crime is still ripping this Nation apart. In my home State of Arizona the violent crime was up 3 percent just in the latest statistics released last week.

You have alleged a number of things in your speeches which are simply blatant untruths and do not paint the real picture of what is happening in the communities around this country.

So, today, Governor, I plan to set the record straight, and I am going to cite to you some of the statements that you have made in your speeches, particularly the one September 1, 1991, before the National Press Club. And I tend to refute some of those allegations, but I intend to let you refute my refutation, if you want to. You will have an opportunity to say, "You're wrong, Senator, and this is why I said those things about Congress because I not only believe them but I can back them up."

I would have yielded at this point to Senator Domenici; he is at the White House. He can speak for himself and I am sure will join us as soon as he can get back.

Before I go into a couple of things I want to discuss about your speech to the Press Club, Governor, I will let you open up. I have a number of questions here. We thought seriously about doing a 2-hour oversight hearing, as I discussed with you, I believe, or your office, and we decided maybe we can do it all this morning. I prefer to do that. It is not pleasant to have to do this with someone that I have great respect for and who has been a very successful Governor. But as you might interpret from my remarks here, I am very concerned about it and I cannot hold them back any longer.

Governor, you may proceed with whatever statement you care to make.

OPENING STATEMENT OF GOVERNOR MARTINEZ

Mr. MARTINEZ. Thank you, Senator.

We have submitted a full statement which we would like to have included in the record.

Senator DECONCINI. Without objection, it will be included.

Mr. MARTINEZ. And I would like to have a summary statement read at this time.

Thank you, Mr. Chairman. As the members of this committee will recall, when the Congress created the Office of National Drug Control Policy in the 1988 drug bill, there were many who doubted that the drug war could be won. We were told by critics on both the right and the left that it was an impossible task. The flow of illicit drugs into this country, we were warned, would continue no matter how many resources were devoted to the interdiction of cocaine, heroin, and marijuana. We were told that drug use had become so intractable and drugs so accessible that no amount of effort could reverse the trend toward increased drug use. And we were told that no number of prison cells could reduce the epidemic of drug-related crime and bloodshed.

I am not here today to tell you that the drug war has been won, because I believe more remains to be accomplished. But I am here

to report that the National Drug Control Strategies implemented since the fall of 1989 have begun to bear fruit. Not only have we seen decreases in the number of Americans who use cocaine and other illicit drugs, but we have witnessed a profound change in the way most Americans view drugs and drug use. And for the first time, improved data collection and drug use surveys enable us to identify emerging trends and adjust our strategy to address them.

Our annual appearance before this subcommittee has usually brought a discussion of drug policy and priorities in addition to the necessary task of reviewing our own office budget. I welcome these discussions with you, Mr. Chairman, and the other members of this subcommittee and look forward to an exchange of views on our policy for reducing drug use in our society. I have, therefore, tailored my statements to discuss primarily the overall nature of our current antidrug efforts.

Since President Bush announced his first ambitious and coordinated drug control strategy, 2 million Americans have stopped using drugs, a decrease of about 13 percent. The number of Americans using cocaine and marijuana has dropped by more than 35 percent since 1988.

Even more heartening is the news about drug use among young people. Since 1988, current overall drug use among adolescents has fallen by 27 percent, and the number of teenagers using cocaine has receded by an astounding 63 percent. This suggests that the current generation of young people has listened to the strong and unambivalent antidrug message sent forth by parents, churches, schools, Government agencies, and community leaders.

As you know, the President has requested \$12.7 billion in drug-related funding for fiscal year 1993, an increase of approximately 93 percent in just 3 years. The President intends to use this money to fund additional drug treatment slots, expand programs targeting at-risk groups such as adolescents, pregnant women, and criminal justice populations, increase grants to community groups seeking to reclaim their neighborhoods from the drug dealers and street gangs, increase the resources available to our law enforcement agencies on our front lines of the drug war, and assist State and local governments in their efforts to fight drugs.

In this era of \$400 billion budget deficits, we can justify these enormous increases only if we can point to concrete evidence that these programs work. Thus, we believe that recipients of the Federal drug-related funds should be held to a higher standard of accountability. That is why we have pushed so hard for statewide treatment plans. Federal drug treatment funds should be disbursed to programs that actually succeed in helping people to kick the drug habit.

In addition to rewarding successful programs, we must do a better job of targeting existing resources on the most pressing problems at hand. Thus, we point to the successes of the HIDTA Program, where we have targeted law enforcement resources on selected drug centers across the Nation. Drug-free schools emergency grants, the Capacity Expansion Program, and Operation Weed and Seed are other examples of where we have pushed hard for greater coordination and targeting of Federal resources.

These three principles—greater accountability for use of funds, targeting of resources on the most pressing needs, and flexibility for the States—guide us in our recommendations and priorities for the current fiscal year.

Mr. Chairman, as I said at the outset, the drug war has not been won, but I believe we have turned the corner in this battle. Among casual users especially we have made enormous strides, and because every addict was at one time a casual user, this represents great progress from both a short- and long-term perspective.

I appear before you with a simple message: Give us the resources we need, as outlined in the President's fiscal year 1993 budget, to make additional progress in the drug war so that we can save innocent lives and protect our future generations.

Thank you for this opportunity to appear before your committee. I would be happy to answer any questions you and your colleagues may have.

PREPARED STATEMENT

Senator DECONCINI. Governor, thank you very much. Your full statement will be inserted in the record.

[The statement follows:]

STATEMENT OF BOB MARTINEZ

Thank you, Mr. Chairman, Members of the Committee. As the Members of this Committee will recall, when the Congress created the Office of National Drug Control Policy in the 1988 drug bill there were many who doubted that the drug war could be won. We were told by critics on both the right and left that ours was an impossible task. The flow of illicit drugs into this country, we were warned, would continue no matter how many resources were devoted to the interdiction of cocaine, heroin and marijuana. We were told that drug use had become so intractable, and drugs so accessible, that no amount of effort could reverse the trend toward increased drug use. And we were told that no number of prison cells could reduce the epidemic of drug-related crime and bloodshed.

I am not here today to tell you that the drug war has been won because I believe more remains to be accomplished. But I am here to report that the National Drug Control Strategies implemented since the fall of 1989 have begun to bear fruit. Not only have we seen decreases in the number of Americans who use cocaine and other illicit drugs, but we have witnessed a profound change in the way most Americans view drugs and drug use. And, for the first time, improved data collection and drug use surveys enable us to identify emerging trends and adjust our strategy to address them.

My annual appearance before this Subcommittee has usually prompted a broader discussion of drug policy and priorities in addition to the necessary task of reviewing our own office's budget. I welcome these discussions with you, Mr. Chairman, and the other Members of this Subcommittee, and look forward to an exchange of views on our policy for reducing drug use in our society. I have therefore tailored my statement to discuss, primarily, the overall nature of our current anti-drug efforts. I have also submitted a justification of our own fiscal year 1993 budget request. Let me summarize that now, if you will.

Briefly, for ONDCP operations, we are requesting \$18,348,000 and 130 FTEs for fiscal year 1993. This amounts to an increase of \$0.2 million over the fiscal year 1992 level. Our request for 130 FTEs represents no change from the enacted level for fiscal year 1992. For the High Intensity Drug Trafficking Area (HIDTA) program, we are requesting \$50 million to maintain ongoing activities. For the Special Forfeiture Fund, we are requesting \$67.4 million, an increase of \$14.9 million from the fiscal year 1992 appropriation. We propose to allocate over half of these funds—approximately \$34.7 million—to the Alcohol, Drug Abuse and Mental Health Administration to support the Capacity Expansion and Community Partnership Grant Programs. The remaining funds would be used for a variety of programs and assets: (1) to provide the Border Patrol with helicopters and replacement vehicles in the Southwest Border area; (2) to conduct research and development activities at

ONDCP's Counter-Drug Technology Assessment Center; (3) to purchase crate and container inspection equipment for the Customs Service and to renovate and expand the Customs Canine Facility in Front Royal, Virginia; (4) to purchase vehicles and firearms training simulators for the DEA; and (5) to develop software systems for FinCEN.

Since President Bush announced his first ambitious and coordinated Drug Control Strategy, two million Americans have stopped using drugs, a decrease of about 13 percent. The number of Americans using cocaine and marijuana has dropped by more than 35 percent since 1988. Even more heartening is the news about drug use among young people. Since 1988, current overall drug use among adolescents has fallen by 27 percent and the number of teenagers using cocaine has receded by an astounding 63 percent. This suggests that the current generation of young people has listened to the strong and unambivalent anti-drug message sent forth by parents, churches, schools, government agencies, and community leaders.

Thanks to the vigorous and sustained efforts of our federal law enforcement agencies, together with their colleagues at the State and local levels, we have been able to reinforce the anti-drug message with an effective criminal justice system. Especially among casual and new users, this approach has deterred many from this destructive path.

We have also enhanced our ability to identify and dismantle drug trafficking organizations of all sizes, both domestic and international. While we cannot ignore the street level user and dealer, it is imperative that we mount a relentless assault on the central commands of these organizations. Thus, in some of our High Intensity Drug Trafficking Areas (HIDTA), the focus has shifted from traditional drug interdiction activities to money laundering investigations designed to take down entire drug organizations.

As you know, the President has requested \$12.7 billion in drug-related funding for fiscal year 1993, an increase of approximately 93 percent in just three years. The President intends to use this money to fund additional drug treatment slots, expand programs targeting at-risk groups such as adolescents, pregnant women, and criminal justice populations, increase grants to community groups seeking to reclaim their neighborhoods from the drug dealers and street gang's, increase the resources available to our law enforcement agencies on the front lines of the drug war, and assist State and local governments in their efforts to fight drugs.

With all this new money, however, comes the responsibility to spend it wisely. In this era of \$400 billion budget deficits, we can justify these enormous increases only if we can point to concrete evidence that these programs work. Thus, we believe recipients of federal drug-related funds should be held to a high standard of accountability. Remarkably, there is no requirement in federal law for treatment programs that receive Federal funds to demonstrate success. That is why we have pushed so hard for statewide treatment plans. Federal drug treatment funds should be dispersed to programs that actually succeed in helping people kick the drug habit. Programs with high failure rates, on the other hand, should give way to programs with more promising approaches.

In addition to rewarding successful programs, we must do a better job of targeting existing resources on the most pressing problems at hand. Thus, we point to the successes of the HIDTA program, where we have targeted law enforcement resources on selected drug centers across the Nation. Drug-Free Schools Emergency Grants, the Capacity Expansion Program, and Operation Weed and Seed are other examples where we have pushed hard for greater coordination and targeting of federal resources.

To enable States to make the most efficient use of federal resources, we support giving States the maximum amount of flexibility to use these funds in a manner that best responds to unique State needs.

These three principles—greater accountability for use of funds, targeting of resources on the most pressing needs, and flexibility for the States—guided us in our recommendations and priorities for the current fiscal year.

As you know, this is not the first time this Nation has embarked on a war against drugs. In the late 19th century, cocaine could be found in everything from cough drops and skin ointments to tonics and soft drinks. In fact, Yale historian David Musto argues that drug use was so prevalent, it would have been difficult to find anyone who had not been exposed to cocaine. Congress responded with the 1914 Harrison Anti-Narcotics Act, the federal government's first systematic attempt to eradicate drug use. Soon thereafter, virtually every State had adopted a comprehensive drug education program. By the mid-1930s, many drug experts predicted the end of the drug epidemic and the end of drug use. Indeed, by the late 1940s, World War II and the disruption of international trafficking organizations had reduced the number of chronic drug users to less than 100,000.

And here is where I believe we can learn an important lesson from history. At the point where federal officials believed drug use had reached an irreducible minimum, we pulled the plug on drug education and imposed a conspiracy of silence on the evils of drug use. Throughout the 1950s and 1960s, our children received virtually no drug education out of fear that any mention of drugs would arouse their curiosity and lead them to experiment with these substances. This enforced ignorance may explain why so many younger Americans embraced drug use in the 1980s.

Indeed, at what may have been the low point in this battle, President Carter's drug advisor, Peter Bourne, made the unbelievable statement that cocaine was neither addictive nor dangerous. Tragically, millions of unsuspecting Americans followed his advice and experimented with these "benign" substances. By 1985, an estimated 23 million Americans used drugs. After six years of serious and sustained efforts, the number of Americans using drugs has fallen to approximately 13 million. Among so-called casual users, the decrease has been even more dramatic.

But we must not allow ourselves to grow complacent. Even if the number of adolescents using drugs falls by another 63 percent, we must remain vigilant and unwavering in our commitment to end this scourge permanently. We must be alert to signs that a new drug has taken hold or that an old one is making a comeback. That brings me to recent concerns over an old demon—heroin.

As you know, in the past few months we have learned that the retail price of heroin has dropped slightly, that purity has increased, and that seizures are up. Together, these data are cause for great concern. Accordingly, we consulted with the experts at the Drug Enforcement Administration and the National Institute on Drug Abuse and commissioned a study by Harvard's Mark Kleiman to look into the problem more closely. As precautionary steps, we enhanced law enforcement and intelligence efforts in the New York metropolitan area, a major importation and distribution center for heroin. We have also requested funds to target certain treatment programs to prevent heavy cocaine users from crossing over to heroin use. Finally, we have put extensive data collection and monitoring programs in place to obtain better estimates of heroin use and heroin trafficking trends.

After reviewing the Kleiman study and other data bases, we believe that, while the current situation warrants close scrutiny, most of the recent increase in heroin use has occurred among former cocaine users, rather than among new initiates to drug use. In fact, historical patterns of drug use, pharmacological factors in addiction, and current trafficking patterns suggest that heroin use could increase in the years ahead. Fortunately, however, the image of heroin is so bad, even among cocaine addicts, that we do not expect to see large numbers of casual or first-time drug users choose heroin. But, as our past experience teaches us, we must not relent for a moment in driving home the point that drug use is bad.

Mr. Chairman, as I said at the outset, the drug war has not been won. But I believe we have turned the corner in this battle. Among casual users, especially, we have made enormous strides. And, because every addict was at one time a casual user, this represents great progress from both a short and long term perspective.

I appear before you with a simple message. Give us the resources we need, as outlined in the President's fiscal year 1993 budget, to make additional progress in the drug war so that we can save innocent lives and protect our future generations.

Thank you for this opportunity to appear before your Committee. I would be happy to answer any questions you and your colleagues may have. Thank you.

(The fiscal year 1993 budget of the Office of National Drug Control Policy follows.)

Transportation of things

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$38	\$38	\$0

This object class includes express mail, UPS, and miscellaneous mover expenses.

Rental payments to GSA (SLUC)

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$1,705	\$1,798	+\$93

This amount reflects the full year cost of office space at rates established by the General Services Administration for office space in the Washington, D.C. central business district. This increase represents the full year costs of the acquisition of additional office space, primarily for the Counter-Drug Technology Assessment Center (CTAC). This acquisition occurred during Fiscal Year 1991, after the FY 1992 budget was submitted.

Communications, utilities, and miscellaneous charges

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$1,094	\$214	\$-880

This amount will fund the full-year cost of telephone service, telecommunications, postage, the lease of copier equipment and building security. The decrease reflects the full-year change from GSA Federal Protective Service officers to a contract guard service, shifting funding from this object class to the Other Services object class. This change occurred December 1, 1991. In addition, many of the copier and mainframe computer equipment leases-to-purchase expire during FY 93 resulting in base cost savings.

Printing and reproduction

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$200	\$355	+\$155

This amount will provide for basic printing needs and for the publication (as required by law) of the National Drug Control Strategy, the Consolidated National Drug Control Budget, and legislatively mandated studies and commission reports. In addition, ONDCP will continue to issue a high volume of periodic reports to the public on the topics of law enforcement, drug treatment and drug education programs. The net change includes an increase in the number of publications, as well as a 3.7% inflation factor for all printing needs.

Other services

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$5,182	\$5,752	+\$570

This amount will fund contract services including ADP software development, commercial automated research services, equipment maintenance contracts, personnel training, State and local conferences, and security clearance expenses. The increase is due to additional funds for policy related research, the full-year cost of a private sector building security force, and the development of additional computer-based tracking systems and databases.

Supplies and materials

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$211	\$218	+\$7

These funds will pay for the estimated full-year cost of acquiring supplies, materials, and publications for ONDCP. The increase represents a 3.7% inflation factor.

Equipment

<u>FY '92</u>	<u>FY '93</u>	<u>Net Change</u>
\$660	\$660	\$0

This amount will provide for the purchase of required office equipment, such as PCs, ADP equipment and secure communications equipment, as well as additional furnishings for ONDCP's office space.

Summary of Changes
All Accounts

<u>FY '92</u>	<u>FY '93</u>		<u>Net Change</u>
\$ 18,085	\$ 18,348	<u>Total object classes</u>	\$ +263
\$ 1,000	\$ 0	<u>CTAC (R&D)</u>	\$ -1,000
\$ 86,000	\$ 50,000	<u>HIDTA</u>	\$ -36,000
\$105,085	\$ 68,348	<u>Totals S&E</u>	\$ -36,737

TRENDS IN DRUG USE

Senator DECONCINI. Let's start with some of your statements this morning and also in reference to your September speech that you made before the National Press Club. I am going to quote from that speech which you reiterated this morning. Do you have a copy of it?

Mr. MARTINEZ. No.

Senator DECONCINI. Can we get the Governor a copy of his speech, dated September 5, I believe it is?

You will see, Governor, that I have read that speech several times, with dismay. I had no idea, maybe you weren't getting the press, at least in my papers, of the things that you said there. This morning you talk about the successes, 27 and 63 percent decrease in drug use, and I don't dispute that some polls or surveys may show that.

One of the things you stated in that speech was, "What has happened since 1985 has been nothing short of remarkable. Current use in illegal drugs dropped by almost 45 percent. Since 1988, the number of Americans using cocaine has dropped 45 percent."

You are also quoted in there as, "This, I believe, is the case because so many fewer Americans are putting themselves in harm's way by taking the first puff or doing that first line."

Let me call to your attention, Governor, that, first, nobody would like to see these statistics go down more than I would. We can't mislead the American public. Two years ago, White House drug policy officials declared the National Institute on Drug Abuse, the so-called NIDA household survey, as one of their principal measur-

ing sticks for progress and set as one of their goals a 50-percent drop in habitual cocaine use, defined as people who use the drug once a week or more, by the 1991 survey. The 1991 household survey is now out, and it shows that weekly cocaine use, Governor, rose sharply: up 29 percent in 1991.

And even more disturbing, Governor, are the results from this year's Drug Abuse Warning Network report, which records the number of drug-related hospital emergency room visits. In the first two quarters of 1991, cocaine-related emergency room visits dramatically increased by 31 percent and during the same time period heroin-related emergency room visits jumped by 26 percent.

The Centers for Disease Control, National Youth Risk Behavior Survey of 1990 finds that prevalence rates for 9th and 12th grade students were four times higher for alcohol and marijuana use and three times higher for cocaine use than the objectives set forth in the national education goal for the year 2000.

And according to the 1991 Arizona Substance Abuse Survey, conducted by the Arizona Criminal Justice Commission, the percentage of high school students in Arizona currently using marijuana has increased almost 20 percent from 1990 to 1991 and the percentage of junior high students currently using marijuana has increased over 50 percent from 1990 to 1991.

My question is, Governor, How can you sit there and cite statistics indicating a great success by 23 and 63 percent decreased use by young people when you don't also mention the huge problem we have in cocaine and still in marijuana? I don't think that's a fair representation to the public and to the Congress of where we are going in the war on drugs.

I do agree with you we have not won the war on drugs, and I am glad to hear you say that.

You may respond.

Mr. MARTINEZ. Senator, my statement then was accurate. These surveys that came out came after I made the speech in September where you had the uptick on cocaine, particularly if you analyze it, Senator, those who are 35 years of age and older, which further strengthens my position that our education and prevention programs in this country are working because the young people are continuing to respond positively.

Now, our mission, Senator, is to survey nationally, and we also have said time and time again that it is never a uniform way of reduction on a city-by-city basis. But you serve on a national body, as I represent a national viewpoint. Our surveys are national. I, too, can cite States and cities that have shown declines. But that is not what we are doing here. We are here giving national information which is further reinforced by the high school senior survey, which is further reinforced by the Partnership for a Drug-Free America, and which is generally agreed that casual use, since we have two-front war, Senator, is going in the right direction.

Do we have a problem with addicts? Absolutely. Do we need to do more to treat those who are addicted? Absolutely. And we are asking for more money.

But I think that to say that we haven't succeeded with the young people of America is to tell the young people of America that they

have failed. And they have not failed, Senator, they have succeeded.

SUCSESSES AND FAILURES

Senator DECONCINI. That is not what I am saying, Governor. I am telling you that you are telling the public and this Congress one side of the story only.

Mr. MARTINEZ. No, sir.

Senator DECONCINI. You are not putting forward here in your statement the NIDA survey which is a national not a State survey showing cocaine use up 29 percent and you are not including in your statement the statistics from the Drug Abuse Warning Network report.

Mr. MARTINEZ. Senator, that information was not out at the time I gave that speech.

Senator DECONCINI. Well, have you made speeches since then that you can supply where you have pointed out this new information?

Mr. MARTINEZ. I have spoken and I have indicated that we had an uptick, Senator. That speech was given prior to the NIDA survey coming out.

Mr. CARNES. If I could interrupt just for 1 second, Mr. Chairman?

Senator DECONCINI. Mr. Carnes?

Mr. CARNES. We do highlight this problem in the national drug control strategy, which we published in late January. And particularly in the introduction, where we discuss each of the particular measures against which we try to judge performance in the drug war, we specifically do acknowledge that there was an uptick in frequent cocaine use.

Senator DECONCINI. Is that in the statement?

Mr. CARNES. Yes; it is in the drug control strategy, sir.

Senator DECONCINI. Is it in his statement that has been submitted this morning? Obviously not the one he read, but is it in the major statement?

Mr. CARNES. Well, I believe he alludes in his statement to a two-front drug war.

Senator DECONCINI. Well, I am going to read the statement.

Mr. CARNES. Yes, sir.

Senator DECONCINI. I haven't had a chance to read it.

Mr. CARNES. If I could just make one further point just to elaborate on something Governor Martinez said. We were, as you are, Mr. Chairman, unhappy when we saw that number. We decided in the early days that we were going to sink or swim based on what the use measures showed. We were going to hold ourselves accountable and expect the Congress would hold us accountable on those use measures.

When we saw that measure, particularly on frequent cocaine use—but even on overall cocaine use, we were unhappy with that—we did ask ourselves what's going on in those numbers; why did this happen? And I think if you would just give me a couple of minutes, it's worth trying to understand what happened there.

Senator DECONCINI. Go ahead.

Mr. CARNES. When we went into the data, we looked more deeply into the data to try to figure out and try to isolate where the problem was in cocaine use and in particular in frequent use. We saw the stuff in DAWN, we saw in DUF, we saw it for a number of drugs, not just cocaine.

What we saw, as the Governor has made clear, is that for everybody under the age of 35, for every drug, whether it's lifetime, annual, weekly, frequent, current, casual, for everybody under 35 all those measures are going down.

The place where the problem occurred was among people 35 and older. So then we said to ourselves, well, what more can we find out about these people who are 35 and older? We began to sort of start to speculate about what was going on here. These are not people who are starting to use cocaine or any other drug, people generally do not start to use drugs at the age of 35, "What a great idea to be a drug addict."

We looked further into the data, and we saw the following things that also sort of profiled these users. We saw, for instance, that by far the vast majority are in inner cities. We saw also, particularly in the DAWN data, that where we were seeing problems, not in the overall number but in the change, if you will, the increase in that was confined almost exclusively to black individuals and Hispanics. This was very troubling to us.

We began to see that what was going on here was that, as we had suggested at the very beginning of the drug war when we came along, the drug use was going to bifurcate into two pieces: a casual use piece and a hardcore use piece. Easier progress can be made on the casual use; very tough nut to crack on hardcore. We anticipated that.

That's why I think what you see is the sad consequence of people who are drug addicts. As you well know, when a person is a coke addict, I mean by the time that person gets to treatment, he is a basket case and you've got probably about a 50-50 chance of helping this person. And when he does go into treatment, he all too often doesn't go into treatment to get cured, he goes in to try to manage his habit. And furthermore, it takes six or seven times for him to go through a whole treatment regimen before he ever kicks it. It's a pathetic thing. It's very, very sad and very, very difficult.

Well, I think what you are seeing in people 35 and older is the problem with relapsing in cocaine addiction. And we have programs designed to deal with that.

Senator DECONCINI. Well, Mr. Carnes, I have no argument with what you say, and I think it's very important that that be on the record.

My quarrel with the Governor here is that he talks about the decreases and doesn't include—even in his opening summary statement, and I don't know if it's in his full statement—information about the problems that I cited. Those things need to be made public. That is what is going to bring awareness and continued support and get the funding that you say you are asking for. And yet what we hear is, "Oh, things are getting better." We haven't won the war, but we don't hear the other side of the story until you criticize us up here.

COORDINATION AND CONSULTATION

At another point, Governor, in this speech of yours, you said, "We told the kingpins that they would be hunted as never before and sooner or later justice would be done." I asked you questions before the Judiciary Committee about the Noriega trial in Miami, and I understand that is an ongoing case so I am not going to ask you particulars of that case.

But are you consulted by the Justice Department on any plea bargains made with drug kingpins?

Mr. MARTINEZ. Senator, we are not an operating agency. We are a policy agency. We are not in the retail business.

Senator DECONCINI. What is the answer? No?

Mr. MARTINEZ. No; let me give you an answer.

Senator DECONCINI. OK.

Mr. MARTINEZ. If in fact you want us to oversee and operate agencies, then the law needs to be changed. We are a policy agency, a wholesale unit who sets the broad policy and budget and direction and proper allocation of resources. But in terms of a trial, and I think you as a prosecutor realize that as well, that those who are the experts in that field, who engage in the prosecution, are the responsible agents to operate that agency.

Senator DECONCINI. You don't think it's a policy matter, Governor, set by the administration some place, maybe by the Attorney General's office, whether or not you're going to make compromises with drug kingpins who have a life sentence or 135 years or whatever? You don't think a policy is involved there that your office should be at least involved in, maybe you're overruled. You obviously are answering the question that you are not involved in that because it's not a policy.

Mr. MARTINEZ. Senator, I think when Congress passed the law that set up our office, clearly it intended that we were a policy-making, strategymaking one that would coordinate the budgetary process to oversee it and not to be the unit that arrests, that tries, that educates and provides treatment.

Senator DECONCINI. I am not suggesting that. I am not suggesting that, Governor. I am saying that you said in your speech, "We told the kingpins," this is you as the policymaker, "We told the kingpins that they would be hunted as never before and sooner or later justice would be done." I agree with that policy. Is that policy correct when there is no contact between you and the Justice Department regarding plea bargaining with drug kingpins?

Mr. MARTINEZ. Noriega was arrested. He was brought to justice. He is before the Federal system of justice. I don't think you would want me as an outsider to the judicial system, as not a participant in that trial, to have undue influence. I don't believe that is what American justice is all about.

But the fact is that they were pursued, the fact that he is no longer President of Panama, the fact that Escobar is in prison, the fact that the Medellin Cartel is no longer the dominant cartel in the world clearly tells you that the policy simply pursued those who were kingpins.

Senator DECONCINI. Governor, you are dodging the question and you know it.

Mr. MARTINEZ. I am not dodging the question, Senator.

Senator DECONCINI. Yes, you are. I am talking about Carlos Lender. I am talking about the biggest drug dealer that this country has ever come up against. I am not talking about the trial of Manuel Noriega or taking anything away from the administration for getting him out of Panama. I am talking about a policy. Have you had any input with the policy about making plea bargains with international drug kingpins? That is all I am asking: Have you or haven't you?

Mr. MARTINEZ. We support the most stringent sentences that can be obtained, that the judicial system of this country can provide, and I am sure that prosecutor is pursuing all he can on Noriega in the courts there in Miami.

Senator DECONCINI. Well, do you support making plea bargains with drug kingpins? That's all. I am not even talking about this case.

Mr. MARTINEZ. I don't know, I have not read there has been any plea bargaining with Noriega.

Senator DECONCINI. You have been missing the trial and the papers. We don't know exactly what it was, but he testified and he said under oath that, yes, he had some concessions from the Justice Department. We don't know what they were, and I am not asking you to comment on what they were. I am asking for a policy statement, that's all.

Mr. CARNES. Mr. Chairman.

Senator DECONCINI. Yes, Mr. Carnes.

Mr. CARNES. There has been no reduction in Carlos Lender's sentence.

Senator DECONCINI. There has been the ability of his family to come testify.

Mr. CARNES. That's correct.

Senator DECONCINI. And he has said and his lawyer said that some concessions have been made. We don't know what they are. The question is not what they are, but were you there and part of the deal, if there was a deal made? My question is: Is there a policy from your office?

Mr. CARNES. No.

Senator DECONCINI. Against or for making deals with drug kingpins in order to get a conviction?

Mr. MARTINEZ. We do not have that policy.

Senator DECONCINI. OK. And you are not intending to have such a policy? Is that fair to say? For plea-bargaining or against plea-bargaining with kingpins.

Mr. MARTINEZ. Our strategy calls for the targeting and dismantling of trafficking organizations, to pursue kingpins, and we believe that the Justice Department will carry out its duty.

DRUG-EXPOSED BABIES

Senator DECONCINI. OK. Let's go to this in your same speech, and I quote you: "It is a question of priority, ladies and gentlemen, and maybe it has been a long time since some of these people (Congress) have been in a hospital to look at the cocaine babies. Forget how they look and the needs they've got, maybe it's a long time

since they've been in a treatment center and seen a pregnant woman there."

Well, on the record, I have been to intensive care nurseries here in Washington and Arizona, and they are horrible. The administration says drug treatment for women and their children is a priority. Yet the Senate consistently has recommended significantly more money for the OSAP pregnant women and infants program than the administration has asked for.

Last year, for example, the Senate provided \$10 million more than the amount requested by President Bush for OSAP prevention programs. This year the new money the administration is recommending for this program is \$5.2 million; it will fund only 22 new programs throughout the country.

It's not enough money to fund all three OSAP reviews. Moreover, it will leave more than 60 percent of the approved applicants unfunded.

Now, OSAP has projected that by the end of 1992 they will have served 36,000 women and 11,000 infants in their pregnant women and infants program. However, a survey conducted by the National Association of State Alcohol and Drug Abuse Directors estimated that 280,000 pregnant women nationwide were in need of drug treatment in 1988. And these numbers are growing every day.

The Institute of Medicine, using data from the NIDA household survey that I cited before, has estimated that each year between 350,000 and 625,000 infants are exposed to one or more illegal drugs en utero.

According to the report by the House Subcommittee on Human Resources, by the year 2000 there could be as many as 4 million drug-exposed children in this country.

Governor, according to the General Accounting Office, the median hospital charge is \$1,000 to \$4,100 higher for drug-exposed than nondrug-exposed infants.

I would like to put this chart up right here, Governor, and have you take a look at it. This chart shows what we spend each year on foster care for exposed babies, what we spend on their hospital costs, and what we spend on preparing these children for school. You can see the figure there. And then what did we spend in the drug treatment budget for women? A measly \$138 million.

Governor, maybe you want to respond to this, and maybe you don't. But to say that Congress has not paid attention to it I think is an unfair statement. To point the finger that maybe we don't have a sensitive chord about crack babies is just unfair.

Mr. MARTINEZ. Senator, as you know, for several years now we have been trying to get the Capacity Expansion Program passed, which clearly targets places like the urbanized areas of America, where you have a shortfall in the number of treatment slots needed. I think this is imperative.

Last year we asked for \$100 million over and above the block grant. We believe this is necessary. I think surveys that you take around the country that shows the amount of treatment slots available, in most States will show there is a surplus. That's because the distribution system that comes under the block grant concept.

What we are interested in is directing additional funds to that population group that has not been served because of capacity

problems. And I think this is an important program, a program that gets to the heart of the matter in terms of where those who are frequent users and are addicted live. And we believe it is a project and a program that we hope Congress will authorize and Congress will provide the dollars to deal with that subject.

So that we do believe that more money could have been appropriated and should have been appropriated for this program. And I believe this would have been of great help to cities like New York, as an example, which clearly is a metropolitan area that has a tremendous amount of difficulties dealing with drugs. And I think, Senator, it's not just how much money we spend but how the money gets directed to those in need. And I submit to you the Capacity Expansion Program would meet that need.

Mr. CARNES. Mr. Chairman, again, I don't want to intrude on your line of questioning, but is that fiscal year 1992, do you know? Is that fiscal year 1991? I am not sure what year that is.

But in any event, I would just point out that in the President's drug budget there are \$624 million in drug treatment funds that are available for women. Those funds may just represent specifically targeted categorical programs as opposed to other kinds of broad-based programs that also treat women. There is also almost \$159 million in the President's budget for the treatment of babies.

Senator DECONCINI. Mr. Carnes, we can't locate that \$600 million. We have asked OTI for a breakdown, and we don't get it.

Mr. CARNES. OK. I will be happy to provide that.

Senator DECONCINI. Maybe you have it.

Mr. CARNES. Yes, I do. I will be happy to provide that for the record.

Senator DECONCINI. These are specific programs for women.

Mr. CARNES. OK.

[The information follows:]

AVAILABLE FUNDING FOR TARGET POPULATIONS

[Dollars in millions]

	1991	1992	1993
Women:			
OSAP:			
Pregnant and postpartum women and infants	\$45.6	\$52.6	\$57.8
Women and children residential demos		10.0	10.4
OTI:			
10 percent ADMS set-aside	66.4	70.4	71.7
Critical pops ¹	12.7	12.7	20.1
Capacity expansion ¹		3.0	28.6
Crisis areas ¹	10.4	12.0	13.3
Treatment campus ¹	6.0	6.0	6.2
ADMS block grant ¹	221.0	234.3	238.8
HCFA Special demos	0.8	1.5	1.5
NIDA Special demos	44.1	45.2	47.5
HCFA Medicaid ²	104.0	112.0	128.0
Total	511.0	559.7	623.9
Babies			
OSAP:			
Pregnant and postpartum women and infants	45.6	52.6	57.8
Women and children residential demos		10.0	10.4
ACF:			
Headstart	15.6	21.6	30.6

AVAILABLE FUNDING FOR TARGET POPULATIONS—Continued

[Dollars in millions]

	1991	1992	1993
Emergency protection	19.5	19.5	19.5
Abandoned infants	12.6	12.6	13.8
Crack babies	5.9	5.9	6.1
ED:			
Grants for infants and families	11.7	17.5	18.1
Early childhood education	1.7	2.4	2.7
Total	112.6	142.1	159.0

¹ Assume about one-third is for women and/or babies and children.

² Assume that 80 percent is for women and/or babies and children.

TREATMENT PROGRAMS

Senator DECONCINI. And talk about capacity expansion, Governor, well and good. But your submission today calls for only \$5.2 million for a program for women and their children, pregnant and on drugs. That to me is a program that certainly has escaped the attention of your office.

You said in your speech, "I must again mention the irony that Congress has been derelict"—derelict, you say—"in providing treatment funds needed to reduce this addict population. We asked them to provide grants to expand treatment capacity, \$100 million, in the hardest hit areas. They have cut our request. We have asked them to fund emergency drug prevention programs for tough urban areas. They cut our request in half."

You know, the position of the Senate has always been to increase the potential instruments for getting treatment money where it's needed, the ADMS Block Grant Program to the States. Last year the Senate increased the ADMS block grant by \$137 million over the administration's request. Using your own cost and treatment calculations, Governor, the \$137 million would have funded 2,000 more treatment slots and served over 5,000 more people.

You say you want emergency drug prevention programs for tough urban areas, but the administration's budget request for OSAP high-risk youth programs would fund only 25 new projects in the entire country. Last year we were able to fund 40 new high-risk youth programs.

Moreover, the administration's fiscal year 1993 request would leave 80 percent of the approved high-risk youth applications unfunded. For the fourth year in a row the administration wants to axe the Juvenile Justice and Delinquency Prevention Act program, currently funded at \$68.6 million. The only Federal program specifically targeted on the prevention and treatment of juvenile delinquents.

Also, the administration's fiscal year 1993 budget would retain a small \$7.5 million program for high-risk youth. It would essentially reduce individual grants. The administration freezes at 1992 levels, Governor, programs targeted at meeting the needs of runaway and homeless youth, who I think it's safe to say are high-risk drug users. This funding falls far short of the amount.

The administration wants to slash the National Youth Sports Program that goes to the hardcore urban areas by 58 percent, from

\$12 million to \$5 million. It's \$12 million this year. This successful program, established in 1968, gives emphasis to high-risk urban areas.

My point, Governor, is your Capacity Expansion Program is a damn good program, and you are going to have support for it, but for you to point the finger at Congress and accuse us of being derelict I think is just unacceptable.

Mr. MARTINEZ. Senator, let me give you a broad response, and I think Bruce can give you some details.

In 1989, the Federal drug budget had \$339 million in it targeted at at-risk populations. The budget that is pending before Congress today has \$1.3 billion targeted at 24 at-risk programs. Now, that is one heck of a change in the amount of money being targeted to deal with at-risk populations through 24 different programs. That is what this budget has in there.

Now, to break out what some of those added increases are and where they go, I am going to ask Bruce to give you some detail. But from \$339 million to \$1.3 billion in a 4-year period is just a lot of added money going into these categories.

Senator DECONCINI. Excuse me, and I will let you respond, but let the record be very clear, Governor, the Congress put that money in and added to that money consistently. So, it isn't a one-sided thing here where you have requested funding and the Congress has been derelict.

Mr. MARTINEZ. No; we just wanted to make sure that we were putting money to at-risk programs.

Senator DECONCINI. That's right. And you talk about the Capacity Expansion Program, well and good. But there are a lot of good programs out there that work, and they have only been partially funded. And, you know, not to come in and ask for additional funding for these proven programs, I question the real commitment here. Is there only one single program you think, this Capacity Expansion Program? You talk about 22 programs, but yet you cut a lot of programs that would deal with at-risk people.

Mr. Carnes.

Mr. CARNES. Thank you, Mr. Chairman.

Just 1 second to establish the context for that speech. At the time of that, in early September, from my recollection is, that the marks at least in the House were for cuts in drug funding. Now, we were very pleased to see, particularly on the treatment side, that at the end of the day those funds were restored. And indeed, as you say, Congress in many cases supplied more funds in particular areas than the administration requested. And the administration does not for a second deny that nor are we unhappy with that.

But I would make just this one point about the treatment funding. I agree with you that the ADMS block grant is an effective way of distributing money, but it is a very blunt instrument and it doesn't always get the money exactly where we might want it to go or you might want it to go.

Our quarrel over this particular issue is not the dollar level but how those dollars were allocated. In fact, if in 1992 the money had been appropriated to the Capacity Expansion Program instead of the block grant, there would have been an additional 35,000 individuals that would have gotten treatment. Now, again, those have

to do with certain technicalities in the way those moneys were appropriated, categorical and targeted as opposed to a block grant, but you would have gotten more people treated that way through the Capacity Expansion Program.

The dollar level was fine; we didn't have a problem with that. That program was targeted to these at-risk people.

Senator DECONCINI. Well, Mr. Carnes, let me interrupt you. Do you think, then, that the fact that we didn't appropriate your full request for CEP, that the Congress was derelict?

Mr. CARNES. Again, I am trying to establish the context.

Senator DECONCINI. You don't have to answer that question.

Mr. CARNES. We were very alarmed that in fact Congress was cutting the treatment budget at the time the speech was delivered.

Senator DECONCINI. That is pretty strong, that is pretty strong language, Governor, and I am sure you will agree, for a Congress that has provided the \$1.4 billion increase and has funded drug programs consistently and though we may have not supplied the \$137 million for capacity expansion, to refer to us as derelict I think is just blatant politics and is unfair.

Mr. MARTINEZ. Senator, I think, as Bruce indicated, at the time we were concerned with the level of spending, and I think it's necessary for us to speak out on the issues that you believe in, much as you do, much as Members of Congress do. And certainly from time to time we hear that the President is not committed to the drug war, and we don't believe that's fair either. But it happens, and I think that if in fact by having delivered a speech it may have caused some concern and caused people to do something, then that's fine too.

But the truth is that at the time it was given, we were not faring well. And we appreciate the money that has come forward, but at the same time I think it's important that we do speak out when we think more money is needed in a particular area to perform a service for those who need it.

Senator DECONCINI. Wouldn't it be a little more fair, Governor, if you said, "Look, we have a disagreement with the Congress up there. We think more money should come to the CEP Program, but we must admit they have provided money for a lot of other programs," and then cite some of them.

CAPACITY EXPANSION PROGRAM

But, no, you go out on the political limb here to point the finger up here as if we are derelict. And I resent that. You just received a letter—just received—January 31, 2 months ago, from Senator Harkin, the chairman of one of the subcommittees, about the CEP Program. And I will just read one paragraph from it:

The CEP program offers a contrast to ADMS. For this year, Congress provided CEP \$9 million. That money remains in the Treasury today, and probably will for several months. Since the administration has not yet issued a notice allowing States to apply for the funds, it is unlikely that the CEP will support any treatment slots this year.

Is that true, that they still have not issued the notice? Why not?

Mr. CARNES. That's correct.

Mr. MARTINEZ. Right.

Senator DECONCINI. If this is such a great program, Governor, how come you're not banging on Treasury's doors? Why don't you issue these notices?

Mr. CARNES. We are banging on HHS's door big-time, sir.

Mr. MARTINEZ. That's correct.

Senator DECONCINI. You are?

Mr. CARNES. Yes, sir.

Mr. MARTINEZ. Yes.

Senator DECONCINI. Well, nobody is listening.

Mr. CARNES. We are at the nukes.

Senator DECONCINI. Nobody is listening, Governor. What do you do about it? How do you get their attention?

Mr. MARTINEZ. Well, we continue to bang at it, Senator, until we can get it done.

Senator DECONCINI. When do you think that door is going to open?

Mr. MARTINEZ. Well, I just talked to Mark Barnes, I guess it was yesterday, at another meeting dealing with the bilateral meeting. And he is banging at it as well to get it done.

Senator DECONCINI. OK. Are you going to make a speech and refer to them as "derelict" or "ambulance chasers" because they won't?

Mr. CARNES. We are thinking about it.

Senator DECONCINI. Well, I hope you do. If that is the hardball we are going to play, fair enough.

Mr. CARNES. Yes, sir.

CONGRESS' RESOLVE IN THE WAR ON DRUGS

Senator DECONCINI. Governor, you mentioned in this speech again on the problem that "they described 2 years ago as the greatest threat in America." You are referring to Congress: "They are now silent, and their silence was forced by the commitment and achievement of the President. The Congress has moved on to chase other issues, but we will seek to ensure that they do not quit the fight before we have won."

Well, Governor, that is just an unfair statement.

In November 1991, just a short time after your speech, Congress passed its most comprehensive crime bill in recent years. The President said he would veto it. And I appreciate his disagreement with one section of the bill, and that deals with the habeas corpus. Very clearly he said that's why he's against the bill. And then to say that the Congress has forgotten about the drug war and that you are going to continue to bring it up is ridiculous. That bill provides for 8,000 new prison cells, 53 death penalties, \$1 billion to State and local law enforcement to fight drugs and crime.

It just irritates the hell out of me, as you probably can gather.

Mr. MARTINEZ. Senator, may I make a comment on that?

Senator DECONCINI. You may.

Mr. MARTINEZ. On the part about Congress' interest, last year in the Senate Judiciary Committee, and this year, Senators made that statement as well.

Senator DECONCINI. What?

Mr. MARTINEZ. In terms of there not being a voice coming out of Congress like there used to be on this subject. So I wasn't the only

one. Quite frankly, it was Members of the Senate who made that point as well.

Senator DECONCINI. Well, you may be right, I don't remember, Governor.

Mr. MARTINEZ. Yes.

Senator DECONCINI. But that doesn't justify, in my opinion, this following statement that you made about Congress: "For them, this was never a serious issue, just a political issue. Now that they see what a remarkable domestic achievement we have accomplished, they want to sweep the whole matter under the rug. They are not skeptics, they are cynical political opportunists."

Would you care to comment on that objective statement?

Mr. MARTINEZ. Senator, when I was talking about the institution in terms of the institution's voice, if in fact, Senator, you can show me, like you have asked me to do on my side, and you have a copy of my speech, if in fact we can find, I guess, the institutional position of the Congress in pursuit of this issue, I would be happy to say that what I said was not accurate.

But I too looked to see where the strong voices are on this subject, and I urge, Senator, that the strong voice that you have, the interest that you have in this subject, that it be carried forth and that others join you in order to take this issue in a broader way.

But I believe, sir, that we are committed; the President is committed; and we feel strongly that we must continue to pursue the drug war, that it is certainly not done, that we still have 12.7 million Americans who use drugs, that we still have some 5.6 million Americans who are addicts, and I believe that we have to pursue a strong voice. And, quite frankly, the louder, I think, like you are doing here today, Senator, that we hear that voice, I think the better off the whole issue will be.

Senator DECONCINI. Well, Governor, I realize you were not in Washington in 1986 or 1988. And it was during those years that Congress, over the objections of the Reagan administration, drafted and passed the most comprehensive antidrug legislation in the Nation's history. Federal spending on drug-related programs was more than quadrupled.

We in Congress have followed that legislation with another anticrime bill that is as tough and comprehensive as anything. And the real argument on that crime bill is not the problems dealing with drugs or prisons or the death penalty, it deals with the habeas corpus issue. And as you are well aware, Governor, both the Senate and the House have passed the latest crime bill, and it is being threatened with a veto.

But I guess you stand by your statement. Is it fair for you to stand by your statement that for them, Congress as an institution, it was never a serious issue, just a political one, and that, "They are not skeptics, they are cynical political opportunists"? Do you stand by that today, Governor?

Mr. MARTINEZ. No; Senator, we are talking about where the voice is today, not all the things that have been said in the past. I think that we need a loud voice and I think that we do need the energy to move forward.

THE CRIME BILL

Going back to the crime bill, the habeas corpus is an important issue, and I can tell you as a former Governor that one of the most frustrating things that you will find among the citizens, at least of my home State of Florida, is the inability to carry out the justice that is required. So it isn't a minor thing, it is a major thing, Senator.

Senator DECONCINI. Well, Governor, I have been a prosecutor and I understand the habeas corpus, and I supported and voted for the President's habeas corpus amendment. OK?

Mr. MARTINEZ. I know you did, Senator. I know you did.

Senator DECONCINI. And I believe that it is very necessary. But there happens to be the death penalty in there, there happens to be \$1 billion in there for law enforcement, there happens to be total support of every law enforcement agency in this country.

Mr. MARTINEZ. There also has to be effectiveness.

Senator DECONCINI. Yes; and I agree that that bill is not perfect. And that is where the disagreement is with the President. Over one part of that bill he has elected, he has the right to do so, to threaten to veto, and the Republicans have elected to filibuster the bill, and well and good, they have the right to do that. But don't tell me that I don't understand the importance of habeas corpus. It is just a matter of whether—

Mr. MARTINEZ. Senator, I didn't say you didn't understand habeas corpus.

Senator DECONCINI. Well, I understand this issue of how important that it is. But some of us would like to see a crime bill passed notwithstanding.

FUNDING FOR ANTIDRUG EFFORTS

You mention here that "Congress has been underfunding the President's request in drug treatment, drug education, and drug law enforcement." Over the past 3 years, Governor, Congress has provided \$568.5 million more—more—than the President requested for substance abuse treatment, prevention, education, and research.

If the Senate-passed appropriation bill had become law, it would have provided \$888.7 million more. Since fiscal year 1990, this subcommittee alone has increased by over \$480 million the amount of funding requested by the Bush administration for drug enforcement programs and the U.S. Customs Service, which has lead jurisdiction in drug interdiction.

In addition, while the Bush administration has repeatedly called for the elimination of the Juvenile Justice and Delinquency Prevention Program which provides grants to States for developing programs in local communities to counter juvenile delinquency, the Congress has had to restore funding to the amount of \$64.5 million.

It is just not fair, Governor, to say that the Congress has been underfunding the President's requests in drug treatment and drug education and drug law enforcement.

Mr. MARTINEZ. Senator, I will repeat, at the time that I delivered that speech we were not receiving the funding level that we thought was necessary, and I believed that it was my duty and re-

sponsibility to speak out that we needed more funds at that time. And there was a forum for doing it, and I did exercise it. I am pleased that the final outcome turned out the way it did. But the time that I spoke, it wasn't there. And I believe that's also important to keep in mind.

Senator DECONCINI. Governor, I hate to disagree with you. You made your speech in September 1991. Today it is 1992. In the last 3 years, Governor, which includes 1990, 1991, and 1992 which we are now in, Congress has provided \$568.5 million more than the President has requested for substance abuse treatment, prevention, and education and research. Is it fair to say that we have continuously underfunded the President's request in drug treatment and drug education and drug law enforcement? Was that a fair statement made in September 1991?

Mr. CARNES. Well, actually, Senator, as I tried to say a minute ago, the problem was particular areas where the funding was not happening. It wasn't so much, as it turns out in the final analysis, but during markups, believe me, during the markup in the fiscal year 1992 appropriation, the House markup on the treatment was about a \$100 million cut in drug treatment, sir.

Now, in the final analysis it came out, but we did not get capacity expansion. In fact, in fiscal year 1991, even though treatment dollars were more than the administration requested, they were appropriated in a way that 12,000 fewer people got treated than we wanted to treat. And we were concerned about this hardcore problem that you started this hearing with in saying that we've got a big hardcore problem here. In 1992 it was 35,000 people.

Senator DECONCINI. Mr. Carnes, I can appreciate that disagreement and that criticism of Congress, based on the statistics that you cite. But to make a flat statement that is untrue, that Congress has been underfunding the President's requests, is unfair. We have overfunded it. Now, we underfunded one program, and you make a very good point and I agree with you that we should have funded it. But it's not fair, in my judgment, to make such a blanket statement.

I yield to the Senator from New York.

OPENING STATEMENT OF SENATOR D'AMATO

Senator D'AMATO. Well, Mr. Chairman, let me make an observation, if I might.

And that is, Governor, the statement that is made flies in the face of the work that Chairman DeConcini has undertaken for the last 12 years that I am aware of. I have never seen any Member of the Congress more conscientious in fighting for funds in a manner consistent with what I believe to be the most appropriate use of those funds.

Now, what am I talking about, to be specific? I am talking about law enforcement dollars to stop the flow of drugs, to impede it from coming in, to giving us the ability to help nations abroad deal with that problem so that the flow may be curtailed.

I am talking about local law enforcement dollars that make a critical difference in the lives of people so that they can really make a neighborhood safer. And I have a specific reason for mentioning that, and we are going to come to that.

I am talking about building the prisons necessary to take those who are convicted off the streets as opposed to having a revolving-door system of criminal justice that all too often puts them right back out onto the streets.

So I think that's the frustration of having been painted with this broad brush that the chairman points out. Indeed there has been too much sloganeering from both sides, from both the administration, previous administrations, this one, and from the Congress. And if one were to match the rhetoric that comes from the congressional side and the administration, we would find that there probably is a good deal of shortcoming on both.

But the one thing you can be sure as it relates to not only rhetoric but, more importantly, action, the chairman has been there first with the most. And I want to make that clear. There has been no one who has been more so. And the manner in which he has done this has been in a nonpartisan manner. And I think that is why the chairman is upset to be painted with the broad brush that may be applicable to many in the Congress but is not applicable to all, and it belies the record of his stewardship both at this committee while he has been the chairman and prior to that as the ranking member. So he takes, I think properly, offense at the kind of statement that should not have been attributed to all.

And I don't think you would have meant that statement to be attributed to the chairman. Am I correct?

Mr. MARTINEZ. That is correct.

HIGH-INTENSITY DRUG TRAFFICKING AREAS

Senator D'AMATO. Now, let me, if I might, point to an area where I think you, Governor Martinez, in particular, should be commended, and that is the HIDTA Program because you advanced it and you saw to it and fought for funding. And one of the truly fine aspects of that program was the local assistance. I believe last year, and staff can correct me if I am wrong, it was at \$86 million, \$50 million for Federal and \$36 million for the locals in the HIDTA Program. Is that correct?

Mr. CARNES. Current year.

Senator D'AMATO. Yes; and that for the forthcoming year, the local assistance has been zeroed out. Let me ask you, and there is some risk involved in this, but I cannot believe that you recommended the elimination of the local \$36 million. Am I correct in that?

Mr. MARTINEZ. As part of our process of budget preparation, we did have it included. Clearly, there is an overall level of funding for the war on drugs that we establish and that our allocations for each activity, whether it's supply control or demand reduction or international, it must fit within. We made judgments in the final analysis in terms of balancing our own budget, our drug war budget, and when it came to that point, we gave on the local amount. And that was to maintain a larger demand reduction program that we were having a fight over. We had also to maintain the HUD drug elimination grants.

STATE AND LOCAL HIDTA FUNDING

Senator D'AMATO. Governor, let me then be a little more specific. Would it be incorrect for me to suggest that OMB insisted that the \$36 million be eliminated? Is that correct?

Mr. MARTINEZ. It's not inconsistent.

Senator D'AMATO. OK. And I understand this. I understand and so does the chairman. But I have to point out for the record that I believe that OMB, the administration, is really missing the mark and they don't really understand what is happening in the real world. They don't understand how valuable this program is. Reasonable people may disagree. There may be some other programs that give incredible value for the dollars and that is what we look for; we are limited in resources but this is one of the best.

And it does two things: It takes on drug dealers where they are most heinous; it provides a better quality of life if worked in with the drug program coming from HUD, in the HUD grants, in conjunction with them. The locals also can come in and supplement that. It gives a very powerful impetus with the community to take back their streets and indeed sometimes their very homes.

And, Governor, this is just an example of some of the people in the bureaucracy, not yourself, because I know you are the good soldier, you are not going to say more than you have already. This would not have been your recommendation or the recommendation of the men and women who have given of themselves and who are truly dedicated, who work with you and those whom you are associated with, who understand the nature of this problem. And that is the kind of thing that I believe frustrates the chairman and other members who are steeped, who are expert, who do bring to the table an expertise born of dedication and commitment, one that comes from their service as local prosecutors and one that comes through years of working with and following through various programs, some that have not been successful and some that are.

Now, here is a successful program. Here is one that, if anything, the dollars committed to both should be increased. The \$50 million isn't enough on the Federal side, and the \$36 million isn't enough on the local side. And so we have husbanded these resources, we have used them in the manner that really has brought about incredible results.

I am not going to take the time to go through the litany of telling you that in New York City, where the five district attorneys have used these dollars to evict drug traffickers from public housing, have worked with the Bureau of Alcohol, Tobacco and Firearms, and want the project.

Let me just give you one idea. And Senator DeConcini actually came to see this project in its inception, Project Uptown. It produced a 36-percent reduction in robberies in the target area. That's incredible—36 percent. I mean people now have a chance of leaving their house and going to the corner grocery store or their kid maybe going down and getting on a schoolbus without getting held up, without getting robbed.

I want to suggest that this is not a program that should be eliminated, and we are going to find the moneys, I know we are, to restore it.

Now, when we look to find those dollars, there will be another program or other programs that will be impacted. And what I think would be terribly unfair—it doesn't mean that that program may not have a measure of value, it doesn't mean that it's worth less, but it means that we are going to have to look to prioritize. And I don't want to be criticized, nor do I think it's fair for the Congress to be criticized, in trying to come up with that \$36 million, that we are then going to have some kind of blistering memo, and I would hope that you would understand that, as we understand the constraints that you are placed under.

I could jump all over you and blame you for eliminating \$36 million. I don't. I don't. But there are some who just don't have that understanding, and it generally comes out of OMB. And they have a tough job as well. But I think they should leave to those people who are more expert in the area and those are people such as yourself, such as Senator DeConcini and others, the final hand in arriving at where cuts should and shouldn't be. And that is not the case.

And by the way, that is not just in your area of expertise. We go into other areas, we find the same kind of micromanagement that comes. And we find this kind of business taking place up and down the line.

So, I really would hope that we can get these funds restored and we can get a little bit of balance. I wish we had more people who showed your commitment and the commitment that the chairman does to this battle. We would really win it in the administration, because I don't believe it's there. And not just this one. Previous ones. I think they are great on rhetoric but when it comes to really putting the dollars in which could really turn around a situation, we give them nickels and dimes. We give to local law enforcement and to people who would really go into the communities crumbs in comparison to the billions that we are spending in other areas.

Let me just simply say this: I am not opposed to treatment but you better not base your hopes to win this war on treatment. I mean you know what the success is as it relates to hardcore addicts, and crack addicts in particular, as it relates to treatment. I don't think there is any meaningful statistic that can show you that a large number of hardcore crack addicts have been rehabilitated.

So the answer is in prevention. The answer is in the kind of programs, education and law enforcement coupled together, that will prevent that. And it is in some of the most difficult of areas because we have had great success in educating working middle-class families and young people about the dangers of drugs. So we have seen declines in that area and the experimentation which sometimes leads to addiction, but it is in the hardcore areas where I believe this idea of treatment and rehabilitation, while we must have it, is not going to solve this problem. We have to get in there and prevent it.

QUICK RESPONSE SURVEYS

I am just going to mention one other thing. I know you have been trying to get a response from NIDA on the heroin quick-response survey, and that has been going on for about a year and a half.

And it hasn't been coming. That is HHS again. Are we going to get an answer from them?

Mr. CARNES. If I might, Senator, first off let me just say in response to what you said a moment ago, I want to assure you that we would be more than happy to work with this committee, with the chairman, on State and local HIDTA or any other matter with regard to the drug funding issue.

Mr. MARTINEZ. If I may also add here, the Weed and Seed Program, which goes along with trying to go into an area and remove the people who don't belong there and follow up with services, is also being worked on.

You had a very vital point here on prevention, Senator, and we have talked a lot about treatment today. One of the two programs that I think speak to exactly what you mentioned is our Emergency Grant Program, which is to double the amount of money that goes to school districts that have the at-risk population, which would be education/prevention, followed up by the community partnership grant, which is an expanded program to assist people who live in neighborhoods to kind of empower themselves to maintain education/prevention programs. So that, although we spoke about treatment, we also have major increase recommendations in those areas of prevention and education targeting this inner-city, harder-to-reach population.

Mr. CARNES. Senator D'Amato, with respect to your question about NIDA, I have two parts on this. I will make them very brief.

First off, I would commend NIDA for having an agency full of first-rate minds who produce some actually, I think, some very high-quality products. The second part of my answer is: If you can get them.

Senator D'AMATO. If you can get them? What? Their mind or what?

Mr. CARNES. No; if you can get the products.

We have worked very diligently with HHS, both on the major surveys with which everyone is familiar as well as this particular project and others like it that you allude to. I don't want to air a lot of dirty linen here. But I think that our experience right now is that we are learning a new definition for the word "quick." I think that there are, notwithstanding the best intentions of the people at the operational level, we have serious difficulty—I will be quite frank with you about this—a serious difficulty in busting things loose.

Now, as a result of that, I recently wrote them and told them, "Here is the scorecard of all the things that we have asked you to do, here is when we asked it, here is what we asked for, here is when you promised it, here is what was delivered." The delivery column was mostly blanks.

Senator D'AMATO. Well, that is their first-rate minds. They are studying it, you know.

Mr. CARNES. I am telling you there are smart guys down there at the operational level, but that is not where the problem is. We have as a result cut them loose. We have said, "OK, forget it. We cannot get this from you. We will have to find another way to get this job done."

They are very unhappy about this, and believe me, they are going to be extremely unhappy about what I am saying right now. And I will be hearing about it big-time, I expect.

Senator D'AMATO. Well, who is the head of NIDA?

Mr. CARNES. The head of NIDA is Bob Schuster—Bob Schuster has left?

Senator D'AMATO. He has left? No one is in charge?

Mr. CARNES. Dick Millstein is the acting guy. He's a good guy and is not necessarily the problem even there. It's in a lot of places.

Senator D'AMATO. Do they have to go and check with OMB before they find out if they can make a survey?

Mr. CARNES. On the big surveys, they've got clearance. On the issues that we are talking about, no. They go ahead and get the data; you just don't get it. You just don't get it; it just never comes to you. So you find other ways to do that little job.

Senator D'AMATO. Well, you are refreshing for your candor. I mean I have to commend you. I am not going to push you any more.

Mr. CARNES. I doubt if it will ever happen again.

Senator D'AMATO. And they will probably scream and yell at you.

Mr. CARNES. You bet.

Senator D'AMATO. They only really yell if the media says that what you have indicated is that there is a lack of leadership over there. Now, if they do that and if somebody puts that in and there's some kind of headline, maybe you will get yelled at but you will have done something good, a good service.

Mr. CARNES. Could I add one additional point to this, Senator?

Senator D'AMATO. Sure.

ONDCP AUTHORITY

Mr. CARNES. I think what this question gets at is a question that we have really sort of danced around a little bit here already this morning, and that is the question of ONDCP authority. What can I do, what can we do, what can the Governor do when they don't produce, whether it's them or whether it's somebody else?

Now, one of the things we can do—we don't have any kind of operational authority over any of these agencies—what I can do is write nasty letters or I can do what I am doing right now, and I believe that will probably have results many of which will no doubt be unintended, at least on the receiving end of it. But we can't command them basically to do anything, because we have no legislative authority to make them do anything. Our legislative authority is restricted basically to a couple of pretty narrow areas, and I think we have discharged those pretty well.

But in terms of these other matters, when I go out and hire a contractor to produce data for me and do a study for me, believe you me, I am paying his salary and he produces that stuff fast and he produces it well. When I don't have that kind of authority, when the agency doesn't have that authority, we've got a problem.

Senator D'AMATO. Well, your problem is nobody wants you to be strong because you are an intrusion into their own parochial interest, into their group, whether it's the Justice Department, whether it's Health and Human Services, whether it's the Education De-

partment, who are you to be telling them and asking them, so you have to go out as a beggar.

Senator DECONCINI. Would the Senator yield?

Senator D'AMATO. Certainly.

Senator DECONCINI. No. 1, you do have, do you not, Mr. Carnes or Governor, the right to certify or not certify?

Mr. CARNES. Yes.

Mr. MARTINEZ. Yes, Senator.

Senator DECONCINI. Have you not certified some budgets?

Mr. MARTINEZ. That's correct. We did six this year, I believe.

Senator DECONCINI. You did not certify them? And have you asked the White House or the President for the direct authority that you say you don't have?

Mr. CARNES. Again, two points. We do have that decertification authority, and we threatened and sent over draft unsigned letters that would decertify agencies, and believe me, that got an answer.

Senator DECONCINI. Have you ever decertified an agency?

Mr. CARNES. We have, in fact, decertified an agency twice. And it got results.

Senator DECONCINI. OK. So isn't that a pretty good hammer?

Mr. CARNES. Well, I am quite content with that.

Senator DECONCINI. Yes.

Mr. CARNES. What I am saying is there we've got definite big-time power.

Mr. MARTINEZ. Yes.

Mr. CARNES. It worked; we got results.

Senator DECONCINI. Well, that's what I think this is all about.

Mr. CARNES. Yes.

Senator DECONCINI. And also, have you been advised by legal counsel that the President couldn't give you additional authority under Executive order?

Mr. CARNES. Well, I would say just about every lawyer in this town is anxious to tell us what we can and cannot do. And most of them seem to conclude, in my opinion, that we have no authority to cause most of these things to happen.

Senator DECONCINI. That wasn't my question. Is there any legal authority that says the President couldn't executively grant you the authority you say you don't have?

Mr. CARNES. Well, we are confronting this in the reauthorization discussions.

Senator DECONCINI. Have you asked the White House?

Mr. MARTINEZ. Senator, I think this is something that, whenever reauthorization comes up, needs to clearly be debated. I think that the heady days of putting up a strategy are over with, it's a question now of operations and implementation.

Senator DECONCINI. But, Governor, notwithstanding that, and I agree with you that we should do it on reauthorization, there is nothing that stops you—I hope there is nothing that stops you—from going to the President, if necessary, with a program saying this is what I need to carry out the strategy that you signed off on.

Mr. MARTINEZ. I think the strategy we do, but to go to the President of the United States over a NIDA report, that I think—

Senator DECONCINI. Well, OK, OK, I will give you that. How about the Secretary of HHS?

Mr. MARTINEZ. We talk regularly.

Senator DECONCINI. Have you talked to him about this problem? Have you asked him to get the notices out?

Mr. CARNES. I believe that this problem has come to his attention.

Mr. MARTINEZ. It has, and we had it with the release of the surveys as well.

Senator DECONCINI. Have you personally asked the Secretary to get this out?

Mr. MARTINEZ. We have talked about information that doesn't come out in a timely fashion. We need, for instance, the survey data before we make the final recommendations on strategy. So we have had to fight over the household survey, we had to fight over the high school surveys to get the information so we could direct funds in the proper way.

Senator DECONCINI. Again, I can't believe that the Secretary would not provide the report, if you called him and said, "Mr. Secretary, here's the data and here's the name of the report I need, would you please get it to me? It is 3 months overdue or something." Don't you think that Secretary Sullivan would jump up and down to try to do it for you?

Mr. MARTINEZ. Well, when it's gotten to that point, he has. But what I am saying is that, as you know, with huge staffs, not ours, ours is small, things bubble up finally to the Secretary's level. So we have had to call that it's being delayed and we're not getting it in a timely fashion. Once the Secretary is made aware of it, you know, things will begin to happen.

Senator D'AMATO. I think, Governor, if I might, and I asked the chairman if I might just ask this.

Mr. MARTINEZ. Sure.

Senator D'AMATO. You take, for example, this heroin survey that we've been after, it's well over a year that you and your people have been after it.

Mr. CARNES. Just about a year; right.

Senator D'AMATO. Well, over a year. And we're not talking about lollipops now in schools, we are talking about heroin. I hope maybe we're helping you. I am going to write a strong letter to the Secretary, and it's going to be very strong, and maybe the chairman will join with me in that.

Senator DECONCINI. I will.

Senator D'AMATO. This is absolutely unconscionable and it's wrong. And I think, Governor, that maybe you have been too nice a guy with them in trying not to rock the boat, in a sense, and I think maybe you have to because the bureaucrats are just going to do their thing and it's only the person who creates some noise on this thing that's going to get some attention.

I think it's unconscionable that HHS has failed to respond in this manner, and particularly when you and your people have reached out to them on a number of occasions. I hope maybe we have helped out.

Now, you didn't preface this. My staff gave me this, this business on this heroin survey, the so-called quick survey: One year and it hasn't been there, and it's not your fault. And so let me just suggest to you I hope we can help out. There is no reason for it, and,

you know, Dr. Sullivan may be a nice man, but if he is not responding and doesn't have his people doing it, that means he is ineffectual. My Uncle Jimmy is a nice man. [Laughter.]

But I wouldn't have him running that agency, you know.

Thank you, Governor.

Thank you, Mr. Chairman.

Senator DECONCINI. Governor, let me just pursue that one step further. You know, you have the authority to decertify HHS. Would you think about doing that?

Mr. CARNES. You bet it's going to come up next time.

Senator DECONCINI. Good. And, you know, when you can't get the money, which I am pleased to have you testify to in response to Senator D'Amato, for State and local law enforcement and the HIDTA money programs, where do you appeal that when OMB turns you down? Have you taken any of those kind of problems further than the director of OMB?

Mr. MARTINEZ. OMB.

Senator DECONCINI. OMB.

Mr. MARTINEZ. Yes.

Senator DECONCINI. Is that as far as you've gone?

Mr. MARTINEZ. On that subject.

Senator DECONCINI. On that subject matter?

Mr. MARTINEZ. That's correct.

Senator DECONCINI. I guess it's a matter of, you know, how far you think you can go. You could decertify their budget, I believe.

Mr. MARTINEZ. I haven't been informed of that.

Mr. CARNES. I am not sure whether the thought police are here, but that idea has tempted us more than once.

Senator DECONCINI. Yes.

Mr. CARNES. This will probably be the last time you will be seeing me.

Senator DECONCINI. I think we will send a letter, as the Senator from New York suggests.

But, you know, this is your job. And I don't know how more to plead with you to go to the President. Maybe you should go to the President and say, "You know, I can't get 36 or 50 million bucks from OMB, Mr. President. I am ashamed to be here, and I take my share of the responsibility for some failure here, but I can't get our team, not your team, our team to do the strategy."

You know, if I were in your shoes, I don't know what I would do, I would be so upset.

Mr. MARTINEZ. Yes; the only thing, Senator, is that I'd have had more than one item. It wasn't the only item that was in contention.

Senator DECONCINI. I understand.

Mr. MARTINEZ. So, therefore, as you well know, in the process of negotiating more money overall for the budget, sometimes you don't get it all. So I don't want to leave the impression that this was the only one we had that was contentious.

Senator DECONCINI. And I want you to know that I can appreciate that. My point is that it seems that a point needs to be made, Governor, and I can't make it, you can make it. I don't know that you're going to. You certainly don't have to. I can't make you make it.

But, damn it, I tell you somebody has got to move this thing and it has to come not by banging at Congress or having an open fight with Secretary Sullivan or with the OMB Director, but if you've got access to the President, you ought to talk to him. You really ought to talk to him and tell him you need a letter saying do what this guy says. And if he won't give it to you, well and good, you don't have to tell anybody. But I've got to believe Bush is committed to this.

Mr. MARTINEZ. The President is very committed.

Senator DECONCINI. What little bit of discussions I have had with him he certainly has left me with that impression. And I just don't think you're asking, Governor.

Mr. MARTINEZ. Mr. Chairman?

Senator DECONCINI. Yes?

Mr. MARTINEZ. We of course try to keep it at the strategy level, at the broad policy area. When it comes down to the operational side, quite frankly, Senator, if every agency went there with any blockage they have had in an operational activity, the President wouldn't, in my view, be able to handle the many responsibilities of his office.

Senator DECONCINI. Yes; but, Governor, this is different.

Mr. MARTINEZ. I think that we need to perhaps provide an opportunity as we look forward and the role that this office has in terms of giving it a clearer direction, in terms of being able to resolve impasses, whether it's in the budgetary process or whether it's in the requirement of getting things done in a timely fashion. And I think that is something that really needs to be looked at, since we are beyond now drafting broad strategy and we are talking about implementing this broad strategy when it's getting harder to do as the easier part of the war may have been done and the harder part remains.

STATE AND LOCAL FUNDING

Mr. CARNES. Mr. Chairman, I am going to say something now that is not going to please you. We would have gone to the President on a couple of issues if we hadn't gotten—we were prepared to go to him on a couple of these, and we have discussed these already this morning, capacity expansion, community partnerships, education, emergency grants that were targeted, you know, on the hardcore population that we were so concerned about. And we did have some head-banging going on on those programs, but we won those.

In the case of the State and local HIDTA, and this is where you are not going to like it—

Senator DECONCINI. We would put it in anyway.

Mr. CARNES. No; actually, we did not make that calculus. What we did was the difference between the State and local HIDTA programs and the capacity expansion and the community partnerships was that there was no other way to get money to deal with the hardcore problem that we had identified except those programs.

In the question of States and localities, I will just throw out a little bit of sort of the context. I mean we can dispute whether we're right or wrong here, but this has entered into our judgment. Overall funding from the Federal Government that would flow to

those five areas goes up in the 1993 budget from \$1.5 billion to \$1.6 billion and law enforcement alone goes up by \$64 million just to those areas that are identified as high-intensity drug trafficking areas.

Now, I grant you these are not dollars that go directly to State and local agencies. However, there was some additional resources in those particular areas that would be for that purpose. So that was part of the rationale why we would have gone on capacity expansion and not necessarily on State and local HIDTA. And it's a judgment call.

Senator DECONCINI. Well, I don't mind your criticism. But, you know, I just disagree with you.

Mr. CARNES. Right.

Senator DECONCINI. Border patrol has less people. The last time they were close to the full number of personnel was at the last presidential election.

Mr. CARNES. Right.

Senator DECONCINI. In my sector of Tucson, the border patrol used to have 305 agents. They are down to 149. You know, it just doesn't hold water to me that that is not reason to go to the President.

You don't have to be told; you know, Governor, firsthand. I saw you talk to the people in Arizona when you were there about the importance of State and local programs. And I just think that it is a priority. And you want to cover it all with this Capacity Expansion Program. We don't give you any money for capacity expansion, but we give it to you for the high-risk students or the Juvenile Justice and Delinquency Prevention Program that helps hundreds and thousands of people, or some of these other programs. It seems to me that is a disagreement we have.

Mr. CARNES. Right.

Senator DECONCINI. But it certainly doesn't mean that we have failed or that you have failed.

Mr. CARNES. Right.

Senator DECONCINI. I am only going to ask you one more question about your speech, and then I have some questions about your own budget and some other issues.

The last thing that I just can't let go is your statement about, "Getting money for education to reach out to the kids at risk is not easy, either, since that's been cut by 50 percent. That is why I am saying, ladies and gentlemen, look out for the ambulance-chasers and listen to those who are in this for the long run and how to get there."

Now, Governor, you do have a program that was cut. The figures you cite refer to only one program and only one program, the Emergency Grant Program under the Drug-Free Schools and Community Act. However, you neglected to say in that speech—and I read it over because I said, "I bet he put a caveat in there some place"—you neglected to say that last year the Congress approved \$507 million for the Drug-Free School and Community State Grant Program. This was \$10 million more than what the President requested.

This year the President wants to cut the National Youth Sports Program—I hope you are aware of that program—by 58 percent.

The administration once again wants to eliminate the Community Services Block Grant Program. The administration wants to axe \$13 million from the dependent care block grant, a highly successful program.

So, Governor, my only point is I think you hurt the drug policy of this country, your strategy, your credibility, and the President, by going out and making such a blatant speech as this, and as strong as you feel about it, I just think it's a mistake and I think it's unfair.

ONDCP BUDGET

Governor, let me turn to some other drug-related areas. One is your budget on travel, and this is a bit political, Governor. The Congress reduced your travel budget by 7.5 percent in fiscal year 1992 for a total of \$53,250. Can you tell us the impact that this has had on your travel requirements, if any?

Mr. Carnes?

Mr. CARNES. We have given reduced allocations to each of the offices for travel expenses. Right now we are living comfortably within that level. We do not at this point see that, projecting out to the end of the year, that we are going to have a problem with that level.

Senator DECONCINI. Thank you.

Governor, I am well aware this is an election year, and I know you are a political appointee, as all of the President's appointees are, or most all of them. And I know how this process works and you do make political appearances on behalf of certain Republican candidates for public office.

When you agree to make these trips, do the candidates pay for the full cost of your travel?

Mr. MARTINEZ. Absolutely.

Senator DECONCINI. And your costs?

Mr. MARTINEZ. That is correct.

Senator DECONCINI. When you were in Arizona for my colleague, Senator McCain, were you fully reimbursed by that campaign?

Mr. MARTINEZ. That's correct, sir.

Senator DECONCINI. Can you show us that?

Mr. CARNES. Yes; we will be happy to provide that.

Senator DECONCINI. Provide it for the record.

[The information follows:]

ONDCP follows White House Counsel and Federal Election Commission guidelines in the area of political travel. Expenditures for wholly political travel are paid directly by the sponsoring political organization.

Trips which mix political and official travel are pro-rated based on established formulas endorsed by GAO. The sponsoring organization reimburses for the actual expenses associated with the proportion of time spent in political activities.

The trip to Arizona mixed official and political events. The official portion was paid by ONDCP. The political portion was paid by the Republican National Committee (RNC). Full reimbursement from the RNC has been received by ONDCP (for transportation—\$802.03) and the Director (per diem—\$11.47). Lodging for this trip was paid directly by the RNC. A copy of the ONDCP reimbursement check is attached.

Whether the travel is official, political, or mixed, the Director requires the accompaniment of principal deputies or assistants. The cost of travel for these officials is paid out of appropriated funds.

INVOICE NO.	INVOICE AMOUNT	ADJUSTMENT	NET AMOUNT	INVOICE DATE/EXPLANATION
US03179	\$802.03			Reimburse - ONDCP for Gov. Martinez's trip to Tucson, AZ on 12/16/91. XEZE14

		Republican National Committee		CHECK NO. 04063
310 First Street Southeast, Washington, D.C. 20003				
SECRET BANK		DATE 03/17/92		CHECK NUM. 40637
Pay Exactly **802 dollars and 03/100				
PAY TO THE ORDER OF	U.S. Treasury/ONDCP	AMOUNT \$ **802.03**		
XEZE14		00560040890- 254-7402499		

Senator DECONCINI. Now, Governor, maybe it's not important to you, but I don't see the head of the FBI or Dr. Bonner of the DEA or Mr. Higgins of the ATF or Carol Hallett out making political appearances for congressional candidates during this year or any election year. Can you tell me what's different about your position to go and do political events from these other non-Cabinet law enforcement positions who do not do political events?

Mr. MARTINEZ. Senator, as you recall, during the confirmation hearing this was asked numerous times, and at that time I was straightforward that, if asked, that I would participate.

Senator DECONCINI. And you still think that is the best policy?

Mr. MARTINEZ. Yes, sir. Now, I have not done many. I believe I have gone on behalf of a candidate once in over a year now, just over a year. I think I spoke to two Republican organizations. So I have not been on an extended trip, and I have not mixed my trips at all. And so I think that we have certainly been very limiting into the number of appearances that I have made. To my knowledge, I think I have made three, and two of them were not candidates, it was a party structure.

Senator DECONCINI. Well, Governor, do you agree with me that the director of the FBI, the director of the DEA, the head of Customs, and the head of ATF are better off not making political appearances?

Mr. MARTINEZ. Senator, these are operating agencies that are out there enforcing the laws of the country. That perhaps was the custom of that agency. That was not the custom of the office that I hold. As you know, my predecessor was also active. So, therefore, I think from the very beginning it has had a different culture than these other agencies that had been in existence.

Senator DECONCINI. Do you think that it's the best for the war on drugs to have the drug czar, the director of your office, whoever it is, doing political speeches?

Mr. MARTINEZ. Senator, I think we are communicating with the public, whether we are there on a political speech or not. I believe that the heart of my speeches deal with drug issues. In the one speech that I made on behalf of a candidate, we spoke about the drug issue and the assistance the Senator had provided. It was all in a positive light. We did not put any words on anybody else. And it was all on behalf of this one individual and using the drug issue for my speech.

Senator DECONCINI. So your answer to that is yes, you think it's the proper thing and appropriate to do it?

Mr. MARTINEZ. That's correct, sir.

Senator DECONCINI. Governor, how much time so far this year, do you have any idea, have you spent at political functions?

Mr. MARTINEZ. I went, I believe, twice to Texas and once to Arizona.

Senator DECONCINI. Would you supply us how many trips you have made and what the reimbursements are, please?

Mr. MARTINEZ. Yes.

Mr. CARNES. Very few, but we will provide that.

Senator DECONCINI. OK.

[The information follows:]

Three trips have occurred this fiscal year involving political functions: Fort Lauderdale/San Antonio (mixed trip), 12/4/91-12/6/91; Tucson/Miami (mixed trip), 12/16/91-12/18/91; and Boise/Denver/Salt Lake City (mixed trip), 3/4/92-3/6/92.

Each of these trips involved official and political travel. Official expenses were paid by ONDCP. Political expenses were paid by the Republican National Committee (RNC). Full reimbursement from the RNC has been received by ONDCP (for transportation) and the Director (lodging and per diem) for each of these trips. The amounts reimbursed for each trip are listed below:

Trip	ONDCP reimbursement	Director reimbursement
Fort Lauderdale/San Antonio	\$609.93	\$255.35
Tucson/Miami	802.03	11.47
Boise/Denver/Salt Lake City	156.78	9.80

Copies of the ONDCP reimbursement checks are attached.

INVOICE NO.	INVOICE AMOUNT	ADJUSTMENT	NET AMOUNT	INVOICE DATE/EXPLANATION
US031792	\$609.93			Reimburse - ONDCP for Gov. Martinez's trip to San Antonio on 12/5/91. XE2 D08

		Republican National Committee		CHECK NO. 04063
310 First Street Southeast, Washington, D.C. 20003				
SIGNET BANK NEW BRUNSWICK, NJ FARMER'S CHURCH, VA 22041		DATE 03/17/92 CHECK NUM 40636		
Pay Exactly **609 dollars and 93/100.				
PAY TO THE ORDER OF U.S. Treasury/ONDCP		AMOUNT \$ **609.93**		
XE2 D08		040636* 05600408910 650-7307-997 AUTHORIZED SIGNATURE		

INVOICE NO.	INVOICE AMOUNT	ADJUSTMENT	NET AMOUNT	INVOICE DATE/EXPLANATION
US03179	\$802.03			Reimburse - ONDCP for Gov. Martinez's trip to Tucson, AZ on 12/16/91. XEZE14

Republican National Committee
310 First Street Southeast, Washington, D.C. 20003.

CHECK NO. 04063

SECRET BANK
800 LEBRON ST.
FALLS CHURCH, VA 22041

Pay Exactly **802 dollars And 03/100

DATE 03/17/92 CHECK NUMBER 40637

PAY TO THE ORDER OF U.S. Treasury/ONDCP

AMOUNT \$**802.03**

XCZE14
#040637# ⑆056004089⑆ 651-7307499#

ENDOR NUMBER	ENDOR NAME	CHECK DATE	CHECK NO	
TRE136	US TREASURY/ONDCP	03/26/92	040988	
INVOICE NO.	INVOICE AMOUNT	ADJUSTMENT	NET AMOUNT	INVOICE DATE/EXPLANATION
TRE325	156.76	.00	156.76	03/25/92 Reimbursement for ONDCP for Director Bob Martinez's trip to Denver, CO on 3/5/92. OK for R. M. XE2D20
TOTAL	156.76	.00	156.76	

Republican National Committee
310 First Street Southeast, Washington, D.C. 20003.

CHECK NO. 040988

SECRET BANK
800 LEBRON ST.
FALLS CHURCH, VA 22041

ONE HUNDRED FIFTY-SIX AND 76/100 DOLLARS

DATE 03/26/92 CHECK NUMBER 040988

PAY TO THE ORDER OF US TREASURY/ONDCP
EXECUTIVE OFFICE OF PRES.
WASHINGTON, DC 20500

AMOUNT \$*****156.76

XC2D20
#040988# ⑆056004089⑆ 651-7307499#

IRS DIRECT-LINE AUTHORITY

Senator DECONCINI. Governor, you will be glad to know I am going on to something else.

In fiscal year 1992 the committee instructed the Commissioner of IRS to review the organizational structure of the Internal Revenue Service and to institute direct line authority for the criminal investigation division. I know you wrote a letter to then-Commissioner Goldberg voicing your support for direct line authority. And as you probably know, Governor, the IRS has decided not to go along with these changes that have also been recommended by a number of other law enforcement agencies in Treasury.

Have you had a chance to review the IRS report on direct line authority for CID, and, if so, do you believe CID can get the support that it says it can now get without this direct line authority?

Mr. MARTINEZ. As you know, Senator, we do support, you know, more of a direct authority over the CID. I spoke to the previous commissioner. He called me and said that after consideration and due to the fact that he was leaving, he thought thus perhaps that he not take the action.

I know that they are looking at how to oversight better the work in the investigative unit, the enforcement unit. We hope it works out. But it is imperative that the moneys that go for the drug en-

forcement side be utilized fully for that and that, in fact, it carries out the mission intended, particularly in those areas where we have the ILSDF working, where you've got the HIDTA's working. And we will be watching again, but I strongly believe that this needs to be rectified.

Senator DECONCINI. Well, Governor, I agree with you, of course, and the Commissioner of IRS was before us and left us with the distinct impression that we're going to see greater resources there on a continuing basis, and maybe the problem will solve itself. I hope so, but I am concerned about it, as I explained to the Commissioner of IRS. She is fortunate, she has got some real experts there and law enforcement across this country, local and State and Federal, want their efforts and think it plays a major role in the war on drugs.

Mr. CARNES. If I could, Mr. Chairman?

Senator DECONCINI. Yes, Mr. Carnes?

Mr. CARNES. That was one of the issues we were discussing earlier about exercising our authority for certification and decertification, and this was one of those instances in which we had a major problem which did get resolved budgetarily.

Senator DECONCINI. Budgetarily. You mean by more resources dedicated to it?

Mr. CARNES. Yes, sir.

Senator DECONCINI. Governor, I asked the Treasury to provide me with a copy of its requested list to DOD for section 1004 funds, if you are familiar with that. The request was submitted to DOD on February 9, 1992, and included a whole host of requests for a number of law enforcement activities. Do you know the status of these requests and when DOD will make a decision?

Mr. MARTINEZ. John Walters, the acting supply reduction director, tells me that they're still under review, but sometime this week they are supposed to provide responses.

Senator DECONCINI. Thank you.

Mr. Walters, we would like to know what it is. How much money is available for obligations.

Does Mr. Walters know?

Mr. WALTERS. There is not a ceiling on the amount of money that they could provide. As DOD has construed the existing appropriation, there is a floor but not a ceiling, and they are trying to review all the requests from law enforcement and eligible agencies in doing a review. And as the Governor said, they are supposed to give us a status report tomorrow to the law enforcement agencies meeting in our supply reduction working group.

Senator DECONCINI. Thank you.

What input, if any, Governor, do you get for the disbursements of these funds?

Mr. MARTINEZ. Mr. Walters?

Mr. WALTERS. Yes; they have generally been willing to kind of review with us their progress in making decisions, although we are not in formal signoff on the final decision that the Secretary recommends.

CUSTOMS AND THE P-3 PROGRAM

Senator DECONCINI. Governor, let me turn to Customs and the P-3 Program. Have you had a chance to review this program, be briefed by Customs, and are you familiar with the operation of the P-3's? Do you have any plans or feel a need to acquire more P-3's or any suggestions that you might make for using those P-3's more effectively in your strategy and policy making in Central or South America?

Mr. MARTINEZ. First let me say, Senator, that it is an excellent program, and I have had an opportunity to be with the Commissioner to see how they work. I have talked to General Joulwan, who clearly is very supportive of the program because it can do things that DOD assets are not able to do. When I go into the op-ed areas or go to any of the border areas, you clearly get very favorable reports in terms of what the P-3's are doing.

As you know, there are two more scheduled to come on line, I believe one this year and one next year, and with an expanded duty. So that I think you will find that we're satisfied that this is a good program.

Senator DECONCINI. You think that that is going to be enough? Have you looked to the future or do you have any thoughts? Are you going to wait and see how the four fly or, because of the lead time, do we need to be looking for more flight time or less? What do you think?

Mr. MARTINEZ. I think, you know, at least we would like to see the next one fly and see what impact having three functioning before you make a commitment to go beyond four. You know, clearly they have had a very positive result. It all will depend on the mix of DOD assets and, of course, Customs. It also has to do with our friends to the south in terms of how they see their sovereignty issue, in terms of assets that are available for tracking. All of this will have to be ongoing.

I can say that it does the work and, therefore, I think that as we see the other P-3 come on line later on this year, that you begin to make judgment then whether a fifth ought to be considered. Certainly the fourth is already being prepared and, hopefully, they will take possession in 1993.

Senator DECONCINI. Governor, you are aware of the sensitivity of our friends to the south, particularly Mexico, of penetration of their airspace, particularly with military airplanes. You are also aware that the P-3 does not have a military insignia on it.

Mr. MARTINEZ. That's correct.

Senator DECONCINI. When Secretary Garrett of the Navy was before the Appropriations Committee earlier this year, I asked him about a request by Admiral Edny, the commander of SINCLANT, for six to eight P-3 ships equipped with F-16 radar or airborne early warning systems. The Secretary stated that the admiral made the request because the durability, performance, and cost of the P-3 far exceed that of any of the Navy assets and that SINCLANT needs its own surveillance aircraft for drug missions.

As you know, Governor, the Customs Service, which operates the P-3 drug surveillance systems, devotes its assets almost exclusively to South America and Mexico, under the command of

SOUTHCOM and General Joulan. These assets are not available to SINCLANT. Customs only has two, as you pointed out, with the third and fourth one coming on.

Are you aware of these requests, and are you involved in seeing that these planes stay dedicated under the Customs Service, who doesn't have to fly under a military insignia or distinguishing mark, in the South America and Mexico theater?

Mr. MARTINEZ. I think Bruce has been approached on that, and he might be able to relate that to you.

Senator DECONCINI. All right.

Mr. CARNES. Yes, sir; I am generally familiar with this issue. The Defense Department and Admiral Edny wants to put F-16 radars in existing Navy P-3's, doesn't want to take or divert any assets from the Customs Service.

Senator DECONCINI. You have been assured of that? Excuse me for interrupting.

Mr. CARNES. I just came back from SINCLANT a week ago tomorrow.

Senator DECONCINI. He assures you of that?

Mr. CARNES. Actually, I talked to General Marow, but that was what he indicated to me at that time.

I think that, in fact, DOD likes the Customs P-3's a lot. I don't think that there is any intention on their part to reduce the availability of assets for Customs. We would not support it if they did.

Senator DECONCINI. You would oppose any transfer if it was requested?

Mr. CARNES. That's correct.

Senator DECONCINI. Thank you.

Thank you, Governor. And I presume that is your policy, Governor.

PROGRAMS FOR WOMEN AND CHILDREN

Governor, as you know, last year we secured \$10 million in the Treasury appropriation bill for demonstration programs which will allow substance-abusing mothers to bring their children with them into residential treatment. I understand that the program announced for the project was to have been published in the February 20 Federal Register. This February 20 publication date would have allowed applicants the normal 90-day time period to develop their applications to meet the May 20 date when all applications must be received at NIH.

It is now 6 weeks later, and the program announcement has still not appeared in the Federal Register. I understand there is a problem over what should appear in the announcement. And whether ONDCP is involved in this delay, I don't know. And I repeat, 6 weeks have passed and nothing is happening. There will now have to be a special receipt date for applications at the NIH for the program. It is becoming obvious that the delay will affect the quality of the application.

Can you, Governor, do anything to expedite this matter? And needless to say, I hope that the announcement will be published soon. Can you get involved? Or maybe you are already.

Mr. CARNES. Yes, sir; we have been involved on this one. And this goes back to Senator Harkin's letter, both this and the Capac-

ity Expansion Program. We have been banging heads, as I said a moment ago, with HHS over that program announcement on both of those programs. We have disagreements with what they want to do in those programs. We don't think they're in conformance with the way it's laid out in the strategy or with the appropriations law. And we have arguments with them.

They submitted these applications, these RFA's, to OMB 2 weeks ago, and they are going through final clearance process, and we are dug in. And they are going to do it the way that is laid out in the law or they're not going to do it.

Senator DECONCINI. The disagreement, then, is before OMB? You have staked out your position, they've staked out theirs, and OMB has it all now before them?

Mr. CARNES. Yes; it's sitting at OMB right now, and OMB goes through their regular regulation clearance review. But we are not debating before OMB what this program is going to be. These monies are coming from ONDCP, in part.

Senator DECONCINI. Right.

Mr. CARNES. And ONDCP, because we have a financial interest, we have a lever.

Senator DECONCINI. Right.

Mr. CARNES. And we are going to use that lever to the fullest extent. That money is not going to go out unless it goes out right, and we are not coequal with HHS in front of OMB.

Senator DECONCINI. And, Governor, is it fair to conclude that you are prepared to go to the director of OMB to get to the Secretary or whatever you have to do?

Mr. MARTINEZ. That's correct.

THE NATIONAL GUARD'S ROLE IN THE WAR ON DRUGS

Senator DECONCINI. Governor, the Arizona National Guard announced Monday that because of budget shortfalls in the Defense Department it was laying off 80 guardsmen who are currently involved with counternarcotics operations. According to Gen. Don Owens of the Guard, these cutbacks are not connected with the National Guard and Reserve reductions announced by Secretary Cheney last week.

I am told that because of a large counternarcotics operation carried out by Gulf Coast States, the National Guard Bureau is out of 1992 funds and cannot supplement the Arizona Guard drug program.

Governor, can you and will you look and talk to the National Guard and the Defense Department to see whether or not there is the possibility this may be true in other States, not just Arizona? And so there is no question, you can do Texas first or you can do any State that has a Senator running. Arizona does, you can do Arizona first, I don't care.

But I would appreciate if your office would look into this and see whether or not DOD, in fact, has expended all the funds or could they submit a reprogramming to continue, because I have seen these Guard people and they are very, very helpful.

There appears to be a lack of communication and coordination with the Pentagon, in our observation. We have directed the National Guard and Reserve to provide counternarcotics support to

law enforcement agencies, and yet, as demonstrated in Arizona, they have not budgeted sufficient funds to carry it out for the year.

And in reviewing the process, if you find that there is something that you can do, including going to the Secretary, I would like you to do it. And, of course, it would be nice if you would tell us what result there is and how soon you might get to it.

Mr. MARTINEZ. Senator, we will do that, and we will do that as quickly as possible.

Our office had talked with DOD recently about the National Guard and their function in the war on drugs. We were assured that the future use of the National Guard in fighting the drug war would remain. Now, we will follow up what your request is and we will get an answer back to you as soon as possible.

Senator DECONCINI. Thank you, Governor.

I have a lot of other questions, Governor. You have been patient here, and I think we have at least avoided a longer oversight hearing for the time being. I appreciate your candid responses. I hope you understand that my excitement is due to the frustration in this area and not personal toward you, although I do object to your political rhetoric, as I have expressed to you.

Governor, I want you to succeed more than anybody that I know. I want you to be tough. I want you to take these things as high as you can, including the White House, because I think I really believe President Bush would be amazed if he knew that a measly \$36 million or \$50 million, for instance, was not made available to the States. And understanding the negotiation process, I think you have got the cards, Governor. I think you hold the cards. And you can rationalize that you are "only a policy position and therefore not law enforcement" all you want, but I think you've got them and you can play them a lot firmer without being disloyal to the Republican Party or to the President of the United States.

SUBMITTED QUESTIONS

I do have questions regarding the forfeiture fund, the need for a forfeiture fund in Treasury. The Attorney General has said he supports it. I will be doing my best to convince OMB to support it. And I would like to know what you can do. Those questions will be along that line because I believe last year you indicated support of it, and if that has not changed, what we can do to see an equitable distribution of the existing forfeiture fund, and maybe the creation of a Treasury forfeiture fund.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR DeCONCINI

QUESTION:

Governor Martinez, during the hearing held before the Judiciary Committee earlier this year, I raised with you my concerns about the alleged position increase for drug enforcement agencies in your 1993 drug strategy. Your strategy shows position increases for drug enforcement personnel four times higher than the amount of funding provided to bring these positions on for a full year. What this will do is prevent agencies from hiring additional staffing until the last quarter of the year, and it will be very difficult for them to try to meet the position levels in the last four months. In addition, in fiscal year 1994, agency budgets will have to increase by fourfold to cover the full-year costs for those personnel they hired in the previous year. Typically what happens is that when you have to request the full amount to annualize positions in a future year, an agency budget gets cut somewhere else to cover the costs or they simply fund them by cutting out all new initiatives. Congress then has to come back in and not only cover the costs to maintain the personnel levels, but restore the funding from the areas cut. When I asked you during the Judiciary hearing why you took this action, you stated it was something initiated by OMB and that frankly, the agencies could not refute OMB assertions that the agencies in the past have not demonstrated the capability to hire the staff increases in the first year. In this Subcommittee, I have now completed hearings with ATF; the Customs Service; and IRS. All of these agencies have indicated to me that they would have no problem bringing on the full complement of positions you state are included in their budgets in fiscal year 1993 for the full year if the funding was there to support the positions. For the sake of argument, I think it is entirely reasonable to expect that at least for six months of the year these positions could be brought on board.

Since the Judiciary hearing, have you had a chance to go back and review this issue with the drug enforcement agencies? If so, do you concur with my assessment that IRS, Customs and ATF could bring on the positions for the full year?

ANSWER:

- IRS, Customs, and ATF could fill a greater number of positions if more than just a quarter year funding had been requested.
- I am doubtful, however, that any agency could fill 100 percent of the positions requested on the first day of the fiscal year. Given hiring procedures and background checks, many of the new employees could be on-board by mid-year. But I am doubtful that all of the employees would be on-board even then.
- So it is worth noting that both the Departments of the Treasury and Justice support this policy.

QUESTION:

If so, can we expect to receive an amended budget request from you for funding to fully support these initiatives for a full year or one-half of the year at the least?

- o Another problem is the tendency of some private insurers to pay for the very expensive short-term inpatient programs rather than the longer-term and less expensive alternatives.
- o The Administration is working, through example and information, to encourage private insurance coverage of cost-effective treatment.
 - The Federal government includes coverage for substance abuse treatment in every health insurance plan available to Federal employees, setting an example for other employers, private and public.
 - Medicare, Medicaid, and health insurance for military personnel and their dependents also provide coverage for drug treatment.
 - The Administration has actively encouraged the States to make use of Medicaid provisions and Federal match to provide drug treatment.
 - Finally, to foster improved coverage, the Administration through the Department of Health and Human Services is developing, and will disseminate to private insurance providers, information on cost-effective treatment programs.

QUESTION:

In Nebraska, there seems to be a lack of services to cover rural areas. The general notion that the Midwest and rural areas are risk-free is an unfortunate misconception. Although we have Substance Abuse Advisory Committees in six regions of Nebraska, satellite offices are understaffed and consequently provide minimal counseling. As a result, individuals who seek treatment must make a much greater effort to receive services, especially as a result of geographic impediments. How can the needs of rural areas be addressed more effectively?

ANSWER:

- o There are several ways that States like Nebraska can help their rural populations access drug treatment. If areas of severe treatment shortage can be identified in rural areas, especially for targeted populations such as pregnant women, adolescents, minorities, residents of public housing, and women and children, then the State could be eligible to receive Capacity Expansion Program (CEP) funding. CEP provides drug treatment funding in areas and populations of greatest need. President Bush is requesting \$86 million in FY 1993 for CEP. In order to ensure treatment services are added where the need exceeds current treatment capacity, Congress should fully fund this program.
- o Nebraska and other States with significant rural areas -- notably the ten States that receive smaller block grant allocations -- can also draw upon the information and technical assistance available through the Office for Treatment Improvement.

QUESTION:

What is the status of Omaha's Weed and Seed grant application?

ANSWER:

- o Omaha was awarded a \$25,000 grant in September 1991 from the Bureau of Justice Assistance (BJA). These funds were provided to the Community Partnership Steering Committee to plan for the development of a Weed and Seed pilot project. The Committee represents a broad cross-section of the community and has created an elaborate structure to develop this initiative.
- o BJA is monitoring the progress of these efforts, and the National Institute of Justice will be evaluating the Omaha Weed and Seed site.

SUBCOMMITTEE RECESS

Senator DECONCINI. That will conclude the hearings until 10 a.m., on April 8.

Thank you, Governor, and thank you, Mr. Carnes.

Mr. MARTINEZ. Senator, if I may just say thank you for having us here this morning, and despite the speech I may have made that you had great concerns with, we want to thank you for your personal involvement on this issue and your continued interest on this issue. And we look forward to working with you, and I think as Bruce indicated, that on the State and local funds as well, which I know is of great interest. And I can tell you as Governor of the State of Florida since one of those HIDTA's was there, I was very interested when it was created. So I don't think we're at cross-purposes here.

Senator DECONCINI. Thank you.

[Whereupon, at 11:48 a.m., Wednesday, April 1, the subcommittee was recessed, to reconvene at 10:05 a.m., Wednesday, April 8.]

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General Accounting Office

Since the early days of ONDCP (April 1989), GAO has been interested in how we do our job and how other agencies have been carrying out their responsibilities in connection with the Strategy.

Before ONDCP was completely staffed, these meetings were coordinated through the Office of Planning, Budget, and Administration (OPBA). Since then, OPBA has been designated the main point of contact for the agency with regard to setting up the appropriate meetings throughout ONDCP.

Below is an update of where ONDCP stands on drug-related GAO reports.

- o Since ONDCP's inception, we have been involved in a total of 72 drug-related GAO reports.
- o Of these 72 reports, 18 remain ongoing/active.
- o Attached is a list of these reports. This list has been updated accordingly.

OPBA
6/7/93

CRIMINAL JUSTICE DRUG-RELATED GAO REPORTS

1. ORGANIZED CRIME: Issues Concerning Strike Forces, released April 1989

FINDINGS: Federal initiatives against organized crime, including Strike Forces, have led to many prosecutions and convictions of traditional organized crime leaders. However, all of the mechanisms required by the Attorney General for planning and coordinating a unified Federal effort against organized crime are not being fully used.

RECOMMENDATIONS: None.

2. RURAL DRUG ABUSE: Prevalence, Relation to Crime, and Programs, released September 1990

FINDINGS: GAO's review of survey, arrest, and treatment data produced several findings concerning the nature and extent of drug use in rural places. The report included survey data for high school seniors and treatment data.

RECOMMENDATIONS: None.

3. MONEY LAUNDERING: Treasury's Financial Crimes Enforcement Network, released March 1991

FINDINGS: This report discusses why FINCEN was established and describes its functions, organizations, and staffing. Because FINCEN was only established in April 1990, and is still not fully operational, GAO did not assess its impact on law enforcement.

After studying problems that Treasury and other agencies were having with investigating and prosecuting money laundering schemes, Treasury was concerned that law enforcement efforts were fragmented and uncoordinated and that intelligence analysis was inadequate. To remedy this situation, Treasury established FINCEN to support Federal, state, local, and foreign law enforcement offices.

RECOMMENDATIONS: None.

4. THE WAR ON DRUGS: Arrests Burdening Local Criminal Justice Systems, released April 1991

FINDINGS: Criminal justice officials in the eight cities by GAO surveyed expressed concern with what they considered to be a significant increase in drug and drug-related crimes during the '80s. Most of the cities had substantially increased local law enforcement efforts against illegal drugs, resulting in more arrests for drug crimes. These arrests greatly increased the burden on courts, correctional facilities, probation and parole offices, and drug use treatment centers.

RECOMMENDATIONS: None

CRIMINAL JUSTICE CONT'D.

5. WAR ON DRUGS: Information Management Poses Formidable Challenges, released May 1991

FINDINGS: Through its interagency working groups, ONDCP is assessing the information needs and capabilities of Federal agencies involved in drug control to formulate a master plan for promoting better use and sharing of drug-related information.

RECOMMENDATIONS: GAO recommended ONDCP set clear, measurable objectives and timeframes for resolving the issues listed in their report: 1. Info resources mgmt -- currently, no one entity has authority to carry it out; 2. incompatibilities among agencies' systems pose interoperability problems; 3. data integrity problems; 4. system needs to do a better job of protecting sensitive data; and, 5. proliferation of intel centers complicates the management of this information.

FOLLOW-UP: On March 19, 1992, GAO informed ONDCP that they will be performing a follow-up to this study to conduct actions taken in response to recommendations made in the May 1991 report.

6. ASSET FORFEITURE: Need for Stronger Marshals Service Oversight of Commercial Real Property, released May 1991

FINDINGS: Commercial properties are extremely vulnerable to fraud, waste, and mismanagement. Critical management and internal control responsibilities related to such assets must be effectively carried out nationwide.

RECOMMENDATIONS: To improve operations of the asset forfeiture program and better ensure USMS district office compliance with policies and procedures, GAO recommends that the Attorney General direct the Exec. Office for Asset Forfeiture to meet with officials of all components participating in the Justice asset forfeiture program to update and expand the '84 MOU to clarify roles of the investigative agencies, USMS, and AUSAS in preseizure planning.

7. DRUG CONTROL: National Guard Counter-Drug Support to Law Enforcement Agencies, May 1991

FINDINGS: GAO reviewed how \$150 million appropriated in FYs '89 and '90 to support an increased National Guard role in the counter-drug activities of States, territories, and D.C. was allocated by the Office of the Secretary of Defense.

RECOMMENDATIONS: GAO recommend that the Sec. of Defense direct the Asst. Sec. of Defense for Reserve Affairs to implement the OSD plan to require each State to prioritize the NG counter-drug missions for which it requests funding and delay approval of the NG Bureau's FY 91 equipment procurement plan until the Bureau can determine how much to spend on equipment and what types of equipment are most needed by States' NG orgs for counter-drug activities.

CRIMINAL JUSTICE CONT'D.

8. ASSET FORFEITURE: Noncash Property Should Be Consolidated Under the Marshals Service, released June 1991

FINDINGS: Discusses Justice's and Treasury's compliance with the requirement in the ADAA that they develop and maintain a joint plan to coordinate and consolidate the post-seizure administration of properties seized for drug-related violations and the potential cost savings that could be realized if all drug- and nondrug-related seizures were included in a consolidated program.

RECOMMENDATIONS: That Congress amend the consolidation requirement in 21 U.S.C. 887 to also include all noncash properties seized by Justice and Customs for nondrug-related violations.

9. STATEMENT -- DRUG ENFORCEMENT: Improving Management of Assistance to High Intensity Drug Trafficking Areas, released July 25, 1991

FINDINGS: This is a statement for the record which presents the results of GAO's review of ONDCP's administration of Federal assistance to localities with severe drug trafficking problems.

RECOMMENDATIONS: Although various means for assisting areas with severe drug trafficking problems have been presented to Congress, the contemplated changes do not eliminate the need for ONDCP to act on the two problem areas discussed in this statement: 1) ONDCP needs to establish a framework for assessing HIDTA effectiveness, and 2) suggest proposed changes for providing HIDTA assistance.

FOLLOW-UP: ONDCP was notified on March 17, 1992, that GAO is initiating further study of HDTAs, at the request of the House Select Cmte. on Narcotics Abuse and Control. Their objective is to update work they did last July and provide the subcommittee with information on the results of HIDTA funded operations.

10. DRUG CONTROL: Difficulties in Denying Federal Benefits to Convicted Drug Offenders, released April 1992

FINDINGS: Through June 1991, the first 9 months that the guidelines were in effect, less than 1% of all drug offenders convicted during that period was given a sentence that included Federal benefit ineligibility. DOJ has funded demonstration grants and has undertaken other initiatives, such as coordinating with other Federal agencies, to establish procedures for denying benefits and notifying State judicial officers on how to use the procedures.

RECOMMENDATIONS: None.

11. ASSET FORFEITURE: U.S. Marshals Service Internal Control Weaknesses Over Cash Distributions, released May 1992

FINDINGS: Internal control weaknesses at the Marshals Service Central and Southern Districts of California make cash obtained from asset forfeitures vulnerable to loss and misuse.

RECOMMENDATIONS: To ensure that forfeited cash is adequately protected, GAO recommends that the AG direct EOAF to change its policy on routing sharing checks through Federal investigate agencies or the U.S.

Did not involve ONDCP input.

12. ASSET FORFEITURE: Improved Guidance Needed for Use of Shared Assets, released July 1992

FINDINGS: GAO visited 15 State and local law enforcement agencies who shared assets -- some agencies purchases weapons and vehicles, bought computer equipment, helicopters, and crime lab equipment. Other used shared cash to pay salaries of law enforcement personnel, such as narcotics enforcement teams and drug education officers.

RECOMMENDATIONS: GAO recommends that the AG and the Commissioner of Customs work together to develop mutually agreeable guidelines for asset sharing to better ensure that assets shared with S&L law enforcement are used in accordance with program goals.

ONDCP was not involved in this study. No follow-up necessary from us.

13. WAR ON DRUGS: Federal Assistance to State and Local Enforcement, released April 1993

FINDINGS: GAO reviewed federal funding and oversight of multijursdictional task forces (MJTF). Under the provision of the ADAA, the fed. gov. provides funding for MJTFS through the EDWARD BYRNE Memorial State and Local Law Enforcement Assistance Program.

Fifty-two localities had both an MJTF and a DEA state and local task force. Generally, MJTF funded by the Byrne program targeted investigations toward local drug problems, while DEA State and local task forces investigated cases with interstate and international implications. Weaknesses in BJA's implementation of its Byrne program monitoring and reporting responsibilities indicated BJA was not complying with its monitoring and reporting requirements.

RECOMMENDATIONS: None on ONDCP's part. The Director of BJA reassess the requirements for annual state visits and enforce the requirement for document the results of these visits.

INTERDICTION DRUG-RELATED GAO REPORTS

1. **DRUG INTERDICTION: Funding Continues to Increase but Program Effectiveness is Unknown, released December 1990**

FINDINGS: Although the Federal agencies and ONDCP monitor drug interdiction program accomplishments and costs, they have not yet identified a good way to measure and compare the performance of different programs.

RECOMMENDATIONS: GAO's sample results showed that most drug seizures were due to routine interdiction, but that the relationship between seizures and the use of prior intelligence varies according to the particular interdiction program. Only Coast Guard used prior intel in a majority of the seizures included in their sample.

2. **DRUG CONTROL: Status Report on DoD Support to Counternarcotics Activities, released 1991**

FINDINGS: DoD has undertaken two major initiatives to establish an integrated communications network. First, with funds appropriated for the counternarcotics mission, it purchases telecommunications equipment for loan to LEAs to facilitate interoperable and secure communications. Second, it established an automated telecommunications information network to link DoD and LEA drug interdiction operations and intelligence organizations and to provide tracking data on drug smugglers.

RECOMMENDATIONS: None

3. **DRUG CONTROL: Impact of DoD's Detection and Monitoring on Cocaine Flow, released September 1991**

FINDINGS: DoD has significantly expanded, but not fully integrated detection and monitoring (D&M). DOD has been less successful at integrating its D&M operations, especially air operations, with those of the civilian agencies. The FY 1989 authorization did not define DoD's "lead agency" role for D&M and conveyed no clear authority to allow DoD to control the resources or direct the operations of civilian agencies.

RECOMMENDATIONS: GAO recommend that higher quality technology be developed in order to put a stop to smugglers.

4. **DRUG CONTROL: Oversight Needed to Prevent Acquisition of Unnecessary Equipment, released July 1992**

FINDINGS: Each of the three interdiction agencies (DoD, Customs, and Coast Guard) identifies its own requirements and establishes its own acquisition plans for drug detection and monitoring equipment. There is no organization that routinely oversees and coordinates acquisitions to ensure that they respond to valid requirements and do not unnecessarily duplicate existing or planned equipment in the Federal inventory.

INTERDICTION CONT'D.

RECOMMENDATIONS: To prevent counterdrug funds from being spent unnecessarily on acquisition of detection and monitoring equipment, GAO recommends that the Director of ONDCP certify that budget requests to acquire D&M equipment are based on valid requirements derived from the national drug-threat assessment, and that the requirements cannot be met with existing or planned resources in the Federal inventory.

5. U.S. - MEXICO TRADE: Survey of U.S. Border Infrastructure Needs, November 1991

FINDINGS: An insufficient number of Customs and Immigration inspectors is the primary obstacle to the efficient operation of southwest border crossings, according to most officials interviewed along the border. Both agencies have models to assist in their assessment of broader staffing needs. The Customs and INS models are not adequate to accurately measure how many inspectors are currently needed or to reliably project how many would be needed in relation to trade increases. Therefore, the estimated needs are not precise; however, they are the best available and indicate the order of magnitude of the need.

RECOMMENDATIONS: None.

6. DRUG CONTROL: Revised Drug Interdiction Approach is Needed in Mexico, released May 1993

FINDINGS: Implementation of the Northern Border Response Force program has experienced numerous problems since its inception.

RECOMMENDATIONS: None on ONDCP's part. The Sec. of State needs to re-evaluate the need to continue to lease the helicopter fleet to the government of Mexico.

INTERNATIONAL DRUG-RELATED GAO REPORTS

1. DRUG CONTROL: Anti-Drug Efforts in the Bahamas, released March 1990

FINDINGS: U.S. anti-drug efforts in the Bahamas have evolved from bilateral agreements in the early '70s that allowed U.S. Customs Service aircraft to fly over the Bahamas, to extensive and costly drug interdiction operations in the '80s that involve several U.S. and Bahamian agencies.

RECOMMENDATIONS: None.

2. THE WAR ON DRUGS: Narcotics Control Efforts in Panama, released July 1991

FINDINGS: Panama has taken measures to help identify potential money laundering activities, and the governments of Panama and the U.S. have signed agreements to promote cooperation in reducing drug trafficking and money laundering.

RECOMMENDATIONS: None

3. DRUG WAR: Observations on Counternarcotics Aid to Colombia, released September 1991

FINDINGS: U.S. legislation and drug policy allow flexibility in using counternarcotics aid. The executive branch's Andean Drug Strategy permits Colombia to use U.S. aid against both drug traffickers and insurgents involved in the drug trade. Although U.S. officials are taking action to improve program management, GAO found that the necessary management oversight of U.S. aid was not in place. Without such oversight, there is no assurance that the aid is being used effectively and as intended.

RECOMMENDATIONS: None.

4. THE DRUG WAR: U.S. Programs in Peru Face Serious Obstacles, released October 1991

FINDINGS: Peru's government has been unable to create a climate that is conducive to effective anti-drug operations. U.S. anti-drug efforts in Peru have not had a major impact on drug trafficking activities, even though the U.S., under the strategy, increased the available amount of law enforcement aid from \$10 million originally approved for FY 90 to \$19 million. The State Department reported to Congress its determination that Peru had met the legislative requirements for receiving military and economic aid in FY91. To support the decision, State provided examples of recent progress in each area but acknowledged that more progress was needed.

RECOMMENDATIONS: GAO recommends that the Sec. of State ensure that plans are developed and approved by U.S. agencies and their Peruvian counterparts on methods that can be used to evaluate the effectiveness of U.S. anti-drug programs in Peru.

INTERNATIONAL CONT'D.

5. **THE DRUG WAR: Observations on Counternarcotics Programs in Colombia and Peru, testimony, statement by Frank Conahan, Asst. Comptroller General, released October 23, 1991**

RESULTS IN BRIEF: GAO believes that the U.S. is further along in implementing the Andean Strategy in Colombia than in Peru because of the Colombian government's commitment to combat drug trafficking. Peru must overcome serious difficulties in fighting the drug war before the strategy can be effective. In addition, the U.S. needs to strengthen its oversight in both countries to ensure that military and law enforcement aid is used efficiently, effectively, and as intended. Finally, human rights abuses remain a major concern concerning Colombia and Peru.

RECOMMENDATIONS: None.

6. **STATE IG REPORT: Drug Control Activities in Bolivia**

This report is an evaluation of the State Department's coordination and oversight of U.S. assistance for the Bolivian Government's drug control program. Martinez sent a letter to Sherman Funk saying that he's troubled by the ambitious nature of this report.

The report's general finding is that "there is fragmentation and a lack of coordination among U.S. agencies in Washington, at the embassy, and at the tactical level where the programs are implemented in the field." The report includes fifteen recommendations, which, according to the IG, "if properly implemented could have a significant impact on the effectiveness of the bilateral programs."

7. **THE DRUG WAR: Extent of Problems in Brazil, Ecuador, and Venezuela, released June 1992**

FINDINGS: Brazil, Ecuador, and Venezuela have limited counternarcotics programs and receive limited U.S. assistance.

The lack of effective coordination and cooperation among host country agencies and among U.S. agencies involved in counternarcotics assistance programs impedes the effectiveness of activities to combat narcotics production and trafficking.

RECOMMENDATIONS: None.

BUDGET DRUG-RELATED GAO REPORTS

1. DEVELOPING A FEDERAL DRUG BUDGET: Implementing the Anti-Drug Abuse Act of 1988, released August 1990

FINDINGS: Although ONDCP has issued guidelines to implement the legislation and prepare the drug budget, ONDCP officials said they will refine the guidelines and expect that it may take 2-3 years before the process is running smoothly.

RECOMMENDATIONS: The Director would ensure that in his efforts to improve the drug budget process, sufficient emphasis is given to improving the government's capacity to identify and track drug expenditure data. Also, drug control agencies should explore options to provide better data with which to evaluate the effectiveness of their drug program expenditures.

PREVENTION DRUG-RELATED GAO REPORTS

1. **EMPLOYEE DRUG TESTING: A single Agency is Needed to Manage Federal Employee Drug Testing, released January 1991**

FINDINGS: Currently, there is no single drug-free workplace agency responsible for overseeing the implementation of Federal efforts. (ODR is ready to negotiate with HHS, ED and this decision).

RECOMMENDATIONS: GAO recommends that the Director of OMB take the action necessary to assign responsibility for overseeing Federal drug testing efforts to a single Federal agency. This agency would ensure that employees are being treated equitably and determine which agencies are not in compliance with existing program guidelines. It could ensure that needed modifications to the drug testing program are identified and implemented.

2. **EMPLOYEE DRUG TESTING: Status of Federal Agencies' Programs, released May 1991**

FINDINGS: Several Federal agencies had a role in helping executive agencies design their drug testing programs. The E.O. required the head of each executive agency to establish a program for testing employees in sensitive positions and for voluntary employee drug testing.

RECOMMENDATIONS: None

3. **DRUG ABUSE PREVENTION: Federal Efforts to Identify Exemplary Programs Need Stronger Design, released August 1991**

FINDINGS: The Departments of Education and HHS will not be implementing the recommendations of this report because to do so would sanction prevention programs that use "responsible use" messages -- a concept the Administration opposes. As of February 1992, some drug treatment is available in virtually all BOP prisons and over 15,000 Federal prisoners received drug treatment service of some kind in 1991.

Comprehensive residential treatment programs have already been established in 15 prisons. A total of 31 such programs will have been established by the end of 1992. The existing 15 programs are operating at about 80% capacity; however, many prisoners still refuse to participate in available treatment. To overcome inmate reluctance to participate in treatment, BOP has established achievement awards to recognize inmate progress; offered more time (120-180 days) in half-way houses for successful inmates, at the end of their sentences; and provided other incentives for individual programs (t-shirts, caps, etc.).

PREVENTION CONT'D.

Overall, the GAO report reflects a grasp of neither the steps and time required for program development nor the obstacles to implementation of such a program in a very large, thoroughly decentralized agency. There is no apparent grasp of the prison environment and limited recognition of what has been accomplished to date. The report recounts implementation problems that BOP is making substantial progress on and probably alerted GAO to in the first place.

RECOMMENDATIONS: None.

4. EMPLOYEE DRUG TESTING: Estimated Cost to Test All Executive Branch Employees and New Hires, released June 1992

FINDINGS: Precise costs of drug testing all executive branch employees are not available. However, on the basis of the most recent drug testing cost information report in the survey (Federal Drug-Free Workplace Program Semi-Annual Survey prepared by HHS), GAO estimates that total costs could be around \$168,189,000 annually if ALL executive branch employees were tested, if each applicant that was actually selected for a position was tested, and if administrative and other costs remained constant. GAO estimated that the average cost incurred by Federal agencies between October 1990 and March 1991 was \$73.46 per test.

GAO discussed results of their work with ONDCP, OMB, and HHS. ONDCP pointed out that an updated survey covering the period April 1991 through September 1991 is being prepared, and preliminary information indicates that drug testing costs were lower. We suggested that GAO recompute their estimates using this preliminary information; however, because the updated survey has not been finalized and therefore might be subject to change, GAO chose to not use it for their computation.

RECOMMENDATIONS: This study did not show any conclusions or recommendations - it's just a factual piece. Even though ONDCP was designated as the lead agency in implementing the Federal Drug-Free Workplace Program, we did not take a hit here. What's listed is HHS's data, not ONDCP's.

5. EMPLOYEE DRUG TESTING: Opportunities Exist to Lower Drug-Testing Program Costs, released November 1992

FINDINGS: Many agencies have come up with ways of saving money in the area of drug testing. GAO believes that the potential exists for cost savings without compromising program integrity if some guidelines and other aspects are modified. They've identified potential for cost savings.

PREVENTION CONT'D.

RECOMMENDATIONS: GAO recommends that the Director of ONDCP and the Sec. of HHS consider the feasibility of eliminating from existing guidance the requirement that negative test results be submitted for medical review and reducing the required rate of blind proficiency testing. Also they recommend that ONDCP and HHS work with drug-testing agencies to consider the feasibility of collecting drug-testing samples with agency personnel rather than contracting out for this service. And finally, GAO recommends that ONDCP work with drug-testing agencies to consider modifications to their selected frequency levels of employee drug testing. **AWAITING GUIDANCE FROM NEW ADMINISTRATION.**

6. NEEDLE EXCHANGE PROGRAMS: Research Suggests Promise as an AIDS Prevention Strategy, released March 1993

FINDINGS: This report includes little analysis. Many of the programs GAO studied, most of which are in Europe, did not collect sufficient information for GAO to form conclusions. The report concludes that needle exchange programs do not appear to increase injection, HHS has authority to conduct demo and research projects that could involve provision of needles, and the forecasting model used by New Haven is credible.

RECOMMENDATIONS: None.

RESEARCH DRUG-RELATED GAO REPORTS

1. DRUG CONTROL: Communications Network Funding and Requirements Uncertain, released December 1991

FINDINGS: The report is not critical, but does point out that there is no specific implementation schedule or funding plan to carry the program to its completion.

RECOMMENDATIONS: The report makes two specific recommendations regarding ONDCP.

1. Finalize the satellite communications systems plan; and
2. Establish schedules for completing the interdiction network and obtain firm funding commitments from the agencies. This report highlights the need to focus on the implementation of both the telecommunications and ADP plans.

FOLLOWUP: A letter to agencies will be sent out which provides guidance to ensure interoperability among them when considering telecommunications equipment. (CTAC)

2. DRUG ABUSE RESEARCH: Federal Funding and Future Needs, released January 14, 1992

FINDINGS: Federal support from the two principal agencies for drug use research (DOJ and HHS) increased more than 200% between 1980 and 1990 (more than 400% if funding related to AIDS is included). Outlays for national defense research and development rose by 83% while nondefense research and development fell by 5% during that same period. Of the three categories of drug use research funding GAO studies -- casualty, prevention, and treatment -- NIDA spent the most on treatment, followed by prevention and causality. Funding for studies on the causes of drug use has remained timely, never exceeding .01% of the nation's drug control budget. DOJ has spent as much on prevention studies as on causality and treatment studies combined. Expert researchers agree on the importance of more research on the psychological and social/environmental factors leading to drug use.

RECOMMENDATIONS: GAO is making two. The first is that Congress review the place of research in national drug control policy. Second, they recommend that Congress review whether evaluation research is being adequately conducted at ONDCP and major executive agencies responsible for segments of the National Drug Control Program.

INTELLIGENCE DRUG-RELATED GAO REPORTS

1. COMPUTER SECURITY: DEA Is Not Adequately Protecting National Security Information, released February 1992

FINDINGS: GAO has identified problems in the handling and processing of classified information by DEA. These are described in a Limited Use Report which was sent to OR. GAO sent this report to us recommending that we give immediate attention to problems at DEA and make this a priority for us because they say that the mishandling of classified information by DEA could have adverse consequences for the nation's war on drugs.

RECOMMENDATIONS: They recommend immediate action on the part of the Attorney General and the DEA to correct deficiencies in the handling of classified information. OSR is responding to this request from Bob Wise of the House of Reps.

2. DRUG CONTROL: Coordination of Intelligence Activities, released April 1993

FINDINGS: This summary of their findings found that duplication exists in the analysis and reporting of drug intelligence data.

RECOMMENDATIONS: None.

MISCELLANEOUS DRUG-RELATED REPORTS

1. MILITARY AIRCRAFT: Travel by Selected Executive Branch Officials, released April 1992

FINDINGS: GAO reviewed 11 executive branch officials took on military. Most of the travel by officials GAO review was on aircraft assigned to the 89th Military Airlift Wing, located at Andrews AFB. GAO did not review travel on nonmilitary aircraft owned and operated by the government. This work was performed between May 1991 and February 1992. Ten of the 11 officials they reviewed were in compliance with travel policies required by travel authorizations and justifications. The White House has taken several actions in response to problems to strengthen controls over travel.

RECOMMENDATIONS: None.

TREATMENT DRUG-RELATED GAO REPORTS

1. **TEENAGE DRUG USE: Uncertain Linkages with Either Pregnancy or School Dropout, released January 1991**

FINDINGS: Teens self-reported slightly less drug use in 1988 than in 1979, but technical problems with the two major national surveys make interpretation difficult. It was suggested that willingness to report using drugs may have declined rather than the actual use of drugs. However, it's unlikely that this would account for all of the decrease. The data that GAO reviewed showed little evidence that trends in the three youth problems -- drugs, pregnancy, and dropping out of school -- are increasing.

RECOMMENDATIONS: None. Federal agencies were not asked to comment formally on this report.

2. **DRUG ABUSE: The Crack Cocaine Epidemic: Health Consequences and Treatment, released January 1991**

FINDINGS: GAO reviewed the changes in past-year cocaine use between 1985 and 1990 as reported in the National Household Survey. Although adequate information on the socioeconomic characteristics of crack users is unavailable, researchers have suggested that crack, unlike heroin, is particularly popular among women and youth.

RESULTS: There are multiple approaches for treating crack addicts. Several relapse-prevention strategies are under study that may help addicts who have undergone treatment from returning to drug use. Researchers are also pursuing two approaches to treatment: pharmacologic and nonpharmacologic or drug-free treatment. This includes residential treatment programs, such as therapeutic communities, as well as short-term inpatient chemical dependency programs that follow the 12 steps of the AA program. Acupuncture therapy is used to promote relaxation and elimination of the drug from the user's body, but it is not considered a treatment by itself, but rather than an adjunct to treatment.

RECOMMENDATIONS: None.

3. **ADMS BLOCK GRANT: Women's Set-Aside Does Not Assure Drug Treatment for Pregnant Women, released May 1991**

FINDINGS: Recent national attention on the effects of maternal drug use on infants and dependent children, many pregnant women and women with children do not receive drug treatment services that meet their needs. Many require unique services, such as prenatal care, child care, and parenting skills in conjunction with drug treatment.

TREATMENT CONT'D.

RECOMMENDATIONS: GAO recommends that HHS direct the Director of ADAMHA and Director of OTI to specify annual reporting requirements for the States in a manner that allows for the national aggregation of reported data. States should be required to report on treatment programs, and the number of drug-abusing pregnant women and women with dependent children.

4. DRUG TREATMENT: Despite New Strategy, Few Federal Inmates Receive Treatment, released September 1991

FINDINGS: Drug treatment in the Federal prisons is reaching only a small fraction of the inmates with serious drug use problems. BOP's new strategy to provide treatment seems generally well-designed, but implementation falls far short of meeting the needs of Federal inmates. For inmates who complete the intensive programs, aftercare services to help inmates from returning to drug use are not in place. BOP did not undertake an aggressive outreach effort to encourage more inmates to participate in these programs and did not hire an aftercare coordinator until recently.

RECOMMENDATIONS: GAO recommend that the AG direct the Director of BOP to undertake an aggressive outreach effort to encourage inmates with moderate to severe drug problems to enroll in BOP's intensive treatment programs, and to assure that provision is made for both aftercare treatment services for released inmates who participated in the intensive programs as well as for education and counseling services in all prisons.

5. DRUG TREATMENT: State Prisons Face Challenges in Providing Services, released September 1991

FINDINGS: GAO wanted to determine whether State prisons are providing drug treatment and arranging for aftercare services once inmates are released. States face the challenge of providing drug treatment to the large numbers of prisoners with drug use problems. State prisons have the capacity to provide treatment to fewer than 20% of the estimated 500,000 inmates in need. States acknowledge this problem and recognize the need to expand and improve their prison drug treatment service. However, their efforts are challenged by funding constraints, limited prison space, and a need for improved coordination between prison treatment programs and community-based aftercare treatment providers and parole officers. Despite challenges, the States are expanding and improving their prison drug treatment services.

RECOMMENDATIONS: The States need more guidance on how to develop and implement effective treatment strategies in prison. More Federal assistance and leadership from both DOJ and HHS is needed in this regard. The cognizant Federal agencies are beginning to address this need.

TREATMENT CONT'D.

6. DRUG TREATMENT: Despite New Strategy, Few Federal Inmates Receive Treatment, released September 1991

FINDINGS: Drug treatment in the Federal prisons is reaching only a small fraction of the inmates with serious drug use problems.

RECOMMENDATIONS: GAO recommends that the AG direct the Director of the Bureau of Prisons to undertake an aggressive outreach effort to encourage inmates with moderate to severe drug problems to enroll in BOP's intensive treatment programs, and assure that provision is made for both aftercare treatment services for released inmates who participated in the intensive programs as well as for education and counseling services in all prisons.

7. DRUG CONTROL: Treatment Alternatives Program for Drug Offenders Needs Stronger Emphasis, released February 1993

FINDINGS: Treatment Alternatives to Street Crime (TASC) appears promising as a way to help reduce offender drug use; however, several barriers impede program potential.

RECOMMENDATIONS: The Director of ONDCP should take several actions to more strongly emphasize TASC by identifying additional cities that may benefit from TASC programs, and reach agreement on how TASC should be funded.

AWAITING GUIDANCE FROM NEW ADMINISTRATION.

8. ADMS BLOCK GRANT: Drug Treatment Services Could be Improved by New Accountability Programs, released October 1991

FINDINGS: Much of the information HHS requires of the States receiving ADMS Block Grant funds relates to compliance with the grant's requirements. HHS has not required and most States have not provided information necessary to judge the impact of the Federal investment in drug abuse treatment services.

RECOMMENDATIONS: GAO recommends that the Secretary of HHS establish reporting requirements for the States that will provide HHS with information to determine whether States are providing drug treatment programs and services that are effective. They also recommend that HHS report to Congress by 1995 on the progress of OTI's State Systems Development Program to report on: which States have implemented HHS's Treatment Improvement Protocols; which States have participated in a Federal technical performance review and the type of problems identified by the review; the extent to which States have implemented OTI Developmental Action Plans to correct identified weaknesses; and reasons why States have not participated or implemented each aspect of State Systems Development Program (SSDP). SSDP is intended to assist States in assuring HHS and Congress that services supported by ADMS funds are used to provide drug treatment that is effective in reducing drug use.

TREATMENT CONT'D.

9. **DRUG CONTROL: Treatment Alternatives Program for Drug Offenders Needs Stronger Emphasis, released February 1993**

FINDINGS: Treatment Alternatives to Street Crime (TASC) appears promising as a way to help reduce offender drug use; however, several barriers impede program potential.

RECOMMENDATIONS: The Director of ONDCP should take several actions to more strongly emphasize TASC by identifying additional cities that may benefit from TASC programs, and reach agreement on how TASC should be funded.

AWAITING GUIDANCE FROM NEW ADMINISTRATION.