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CRACKDOWN TASK FORCE PROGRAM

LEGISLATIVE
REPORT
1990

NCJRS

JUN 29 1992

ACQUISITIONS

DIVISION OF LAW ENFORCEMENT
BUREAU OF NARCOTIC ENFORCEMENT

DANIEL E. LUNGREN, ATTORNEY GENERAL

CrackDown Task Force Program

1990 Report to the Legislature

"Substance abuse may very well be the single greatest social problem permeating all strata of our society and, if allowed to continue on its current course, contains within it the potential to destroy our very way of life. Many of the social ills we are attempting to address in this country have the common thread of substance abuse running through them, including: crime and violence; the homeless; school dropouts; child abuse; infant mortality; declining work ethic; disease, including AIDS. It is therefore essential that we mobilize a national commitment to do whatever is necessary to impact substance abuse at all levels of society. Rhetoric, no matter how dramatic, will not impact the problem. The time has come to 'put our money where our mouths are'..."

Sheriff Sherman Block
Los Angeles County

Chairman, Attorney General's
Commission on Narcotics
June 20, 1989

"The Legislature recognizes that there are hundreds of major cocaine distributing organizations employing violence, laundering money, and distributing large amounts of the most addictive abused drug in our society, 'rock cocaine'. The result of this is counted in human lives by the dramatic increase in emergency room admissions, violence, drug related deaths, and adult, juvenile, and infant cocaine addicts.

"... the Legislature finds and declares that California's local law enforcement agencies lack sufficient funding, personnel and resources to effectively attack the combination of Colombian cocaine cartels and street gang networks. Even the largest city or county law enforcement agencies cannot independently combat these sophisticated, drug trafficking organizations."

Senate Bill 1661 (Roberti)
Statutes of 1989, Chapter 1453

CRACKDOWN TASK FORCE PROGRAM 1990 REPORT TO THE LEGISLATURE

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CRACKDOWN TASK FORCE PROGRAM

1990 REPORT TO THE LEGISLATURE

HISTORY

By the end of the 1980s, federal authorities estimated that 40 to 50 percent of the nation's cocaine was being funneled through Los Angeles -- the new cocaine capital of the United States.

Two significant developments dramatically changed cocaine trafficking in the mid-to late- 1980s. First, Colombian cocaine cartels shifted much of their operations to California from Florida; and second, the increased supply of cocaine created a tremendous market in the inexpensive but highly addictive form of "crack" or "rock" cocaine. This was particularly significant to the Los Angeles area where established street gangs had always served as distribution networks for "crack" cocaine and other illegal drugs. The newly forged partnership of Colombian and Mexican cartels with established street gangs helped to create the most devastating drug problem ever in California.

The shift to California from Florida was gradual but nonetheless evident. In 1978, the Los Angeles Police Department seized just over 100 pounds of cocaine. By 1989 more than 10 drug dealers in south central Los Angeles were each dealing from 400 to 600 pounds of cocaine per month. State and federal seizures increased from approximately 5,000 pounds in 1986 to approximately 13,000 pounds in 1988, a 160 percent increase in two years. This shift was also evidenced in the movement of federal cash reserves as the currency essential for drug transactions followed the drugs to California. In 1988, the Federal Reserve Board reported that Los Angeles-area banks amassed a \$3.8 billion cash surplus, up 2000 percent from \$165 million in 1985. Conversely, Miami's cash reserves dropped 24 percent over the same time period -- further evidence that the nation's cash was following cocaine westward. Cash seizures under the federal asset forfeiture law, as reported by the U.S. Attorney's Office through April of fiscal year 1989, indicated that Florida seizures represented 10 percent of the nationwide total, while California represented 25 percent.

To shift operations from Florida to California, the drug cartels had to find an appropriate avenue of importation. This was quickly accomplished with little difficulty by forming a partnership with existing Mexican cartels and using long-established heroin routes from South America through Mexico into California. The distribution connection was then forged using existing California street gangs. Many of these street gangs were already operating "rock houses" before the shift in importation. With a need for a connection and distribution point, the gangs formed a natural alliance with the Colombian cartels. The gangs provided networks for sales, distribution, and enforcement not only for California, but for points as far away as Alaska, Oregon, Washington and states in the Midwest. Since the mid-1980s, the Colombian cocaine being funneled through California street gangs has dramatically increased the number, size, sophistication, profits and violence of these gangs. In gang-rich south central Los Angeles, crack dealing is estimated to be a \$5 million-a-week business today.

Federal authorities admit that they are understaffed in California and, therefore, unable to meet the rapid growth of cocaine importation. A far greater proportion of their resources is dedicated to Florida and New York where they choose to continue their high-profile drug enforcement effort. This effort has proven to be successful in Florida; although the cocaine problem is far from being solved, the dramatic yearly increases in seizures, arrests and drug overdoses has abated to some degree.

Despite their success in Florida, federal authorities still are not doing enough to prevent drugs from crossing the border into California by land, sea, or air. The FBI, U.S. Customs Service, Immigration and Naturalization Service, and the U.S. Attorney's Office agree that the West Coast is shortchanged in the allocation of federal drug enforcement resources. There are over twice as many federal agents per capita in Florida than there are in California. Translated, this means there are simply not enough federal resources to deal adequately with the volume of cocaine coming into Southern California. In early 1989, the FBI identified 96 separate Mexican cartels importing cocaine that federal officials are unable to investigate, leaving state and local law enforcement with the difficult task of trying to "catch up" with drug traffickers after they made it to local streets.

In an effort to combat this growing drug problem, California enacted drug enforcement laws beginning in 1987 to give state and local law enforcement the authority to more aggressively pursue organized drug traffickers. Legislation included a tougher state asset forfeiture law and a

EXECUTIVE SUMMARY

By the end of the 1980s, the federal government estimated that perhaps as much as half of the nation's cocaine supply was being funneled through Los Angeles -- the country's new cocaine capital.

Californians statewide face daily accounts of the devastating toll illegal drugs are taking in our neighborhoods and communities. The signs of the drug plague are visible everywhere -- overcrowded jails and prisons, gang warfare and drive-by shootings, clogged courts and overburdened social welfare agencies, low high school graduation rates, and a proliferation of unmotivated, uncaring youth.

Among traffickers and abusers alike, cocaine remains the drug of choice. The newly forged partnerships between Colombian and Mexican cartels and established street gangs has further contributed to California's most devastating drug problem ever. Eliminating this epidemic use and availability of cocaine and its highly addictive form of "crack" or "rock" cocaine is the target of the Department of Justice's new CrackDown Program.

In October 1989, the California Legislature passed SB 1661 (Statutes of 1989, Chapter 1453), authored by Senator Roberti and sponsored by the Attorney General's office, creating the CrackDown Program to fight cocaine trafficking and conduct parallel money laundering investigations in California. The Legislature appropriated \$17.9 million for the program's first full year of operation. CrackDown stemmed from a successful pilot program begun by the department in June 1989.

Using task forces, CrackDown coordinates state and local law enforcement efforts against Colombian cartels and street gangs engaged in cocaine trafficking and related money laundering activities. State special agents assigned to intelligence and narcotics enforcement work with local narcotics agents in seven cities -- Los Angeles, Orange, Sacramento, San Diego, San Francisco, San Jose, and Riverside -- where the problem is most severe. The task forces also work with federal agents to identify, investigate and prosecute cocaine distribution networks.

Early successes of the CrackDown program include the seizure of some 1,063 pounds of cocaine, valued at an estimated \$50 million, hidden on two flatbed trucks in Santa Fe Springs. The November 1990 discovery culminated a two-month investigation by the Los Angeles CrackDown team. And in December 1990, San Francisco CrackDown agents, assisted by the Berkeley Police Department, seized 17 kilos of cocaine -- the largest cocaine seizure in Berkeley history -- and arrested five Colombian nationals affiliated with the Cali Cartel.

Since the program's start in October 1989, 186 investigations have led to the arrest of 419 cocaine traffickers, the confiscation of more than \$7 million in cash and other assets, and the seizure of 1,592 pounds of cocaine. The earlier CrackDown pilot program was responsible for 21 arrests, the seizure of \$858,000 worth of cash and property, and some 457 pounds of cocaine.

For the first time, a comprehensive, coordinated effort to integrate cocaine trafficking intelligence gathering, analysis and dissemination with enforcement has been formally implemented in California. Though it may be too soon to speculate the extent of the CrackDown's impact on the state's major drug trafficking operations or cocaine supply, we are encouraged by the program's early successes.

money laundering law to pursue suspects involved in the financial management of drug trafficking. However, even with these stricter laws, California was where Florida had been ten years before -- agencies across the state with limited resources, lacking in necessary expertise, trying to use complex laws to undertake highly complex trafficking cases. As in Florida, these laws were of limited value until law enforcement focused on a concentrated, coordinated effort that emphasized intelligence gathering, analysis, state-level task force efforts and an increased cooperation in intelligence and enforcement with federal authorities. From the experiences gained in Florida and the documented success of regional task forces in California, law enforcement determined that task forces are one of the most successful methods of operating against major drug traffickers. Federal, state and local agencies can pool resources to provide the highest level of personnel, equipment, funding and expertise necessary in complex, long-term investigations.

The 1984 Attorney General's Commission on Narcotics recommended that the state encourage the continued formation of regional task forces to best deal with the multi-jurisdictional nature of criminal drug activities. From these recommendations, the department's Bureau of Narcotic Enforcement (BNE) implemented 22 regional task forces and formed two drug-specific programs, Campaign Against Marijuana Planting (CAMP) and Clandestine Laboratory Enforcement Program (CLEP). The successes of CAMP and CLEP demonstrate the effectiveness of task forces in the war against drugs when various agencies pool their resources for the common good, and when the effort is focused on one particular drug or element of drug enforcement. Both programs have served as models for other states and continue to evolve, providing leadership and innovation. But BNE's resources were limited, and efforts to form drug-specific teams to investigate major traffickers, and cocaine cartels specifically, continued to be severely hampered.

Because of documented task force success, and the need to take immediate action against the growing cocaine problem, BNE and the Bureau of Organized Crime and Criminal Intelligence (BOCCI) initiated a "CrackDown" pilot program in June 1989. Special Agents and Criminal Intelligence Specialists worked together in task forces in Sacramento, San Francisco, Los Angeles and San Diego, directing their efforts at Colombian cocaine trafficking organizations and street gangs dealing crack cocaine.

At the time the pilot program was being established, the Attorney General proposed legislation (Senate Bill 1661) to establish a permanent crack cocaine task force program -- modeled after the pilot program -- within the Department of Justice. The legislation reiterated the goals of the pilot program: The Department of Justice would provide the resources around which "target-specific" task forces would investigate Colombian cocaine organizations. These task forces would also investigate money laundering and the accumulation of assets commonly associated with cocaine trafficking. This was to be accomplished through four major components:

Investigation/money laundering -- to target cocaine trafficking organizations through the enforcement efforts of ten teams in seven field offices statewide; and two money laundering teams, one in Southern California, the other in Northern California, to conduct parallel money laundering investigations.

Intelligence -- a network of existing intelligence systems to coordinate and disseminate intelligence to support federal, state and local efforts as well as the task force teams.

Support -- to ensure all necessary resources and personnel are made available by the Department of Justice.

Management -- program advisory committees in key areas of the state to oversee the program, its plans and policies.

Because of the pilot program's success and the documented need to address the growing cocaine problem, the Governor signed SB 1661 into law on October 2, 1989. This legislation provided funding for an intensified CrackDown program and made a bold statement on two fronts: First, it confirmed the commitment of local and state enforcement officials to intensify their efforts against major narcotic trafficking organizations. Second, it affirmed that any effort directed at major drug cartels and street gangs must be undertaken with a cooperative and coordinated statewide law enforcement program.

CRACKDOWN TASK FORCE PROGRAM

Pilot Program Implementation

In response to the cocaine problem in California, BNE and BOCCI initiated a CrackDown pilot program in June 1989. The goal of this effort was the consolidation of resources and coordination of efforts to produce a statewide investigative plan to reduce the "crack" cocaine problem in California. The objectives of BNE and BOCCI resources were to:

- o Identify target areas in consultation with local agencies.
- o Conduct investigations and collect criminal intelligence information on gang/crack cocaine trafficking within the targeted areas.
- o Prepare intelligence summaries of investigations for local, state and federal law enforcement agencies.

This joint effort was carried out by 25 BNE Special Agents, one Auditor, five BOCCI Special Agents and six Criminal Intelligence Specialists in four separate field offices (Sacramento, San Francisco, Los Angeles and San Diego) and at headquarters in Sacramento.

Pilot Program Results

The statistical summary and evaluation of the CrackDown pilot program is detailed on Attachments A and B. During its four months of operation, the pilot program, with considerable resources dedicated by BNE and BOCCI, proved extremely successful. In those four months, the pilot program task forces conducted 36 investigations, seized 457 pounds of cocaine and made 21 arrests. The pilot program met its objectives and confirmed that cooperative efforts could significantly curb cocaine trafficking and gang-related activity.

Program Implementation

Summary of Funding

Senate Bill 1661 (Chapter 1453, Statutes of 1989), signed by the Governor in October 1989, appropriated \$13.4 million from the General Fund for implementation of the program through June 1990. The Legislature appropriated \$20.9 million for FY 1990/91 for ongoing yearly costs of the program (\$13.7 million General Fund and \$7.2 million in reimbursements from federal funds received by the state and administered through the Office of Criminal Justice Planning). This appropriation, based on the program proposal, allowed for the allocation of 240 new positions, and acknowledged ongoing yearly costs. In addition, this level of funding would allow for full staffing and all associated costs needed to implement and maintain a program of this magnitude. The Legislature made a one-time General Fund redirection of \$3 million in October 1990 to fund the start-up of the BNE CrankUp proposal (Clandestine Lab Program). This one-time redirection of \$3 million came from the ongoing \$20.9 million CrackDown appropriation, leaving the CrackDown program with \$17.9 million for FY 1990/91.

Personnel

Following the signing of SB 1661 by the Governor, BNE redirected existing resources to the CrackDown program in order to have the program operational immediately. Fifty-five positions were filled through personnel redirection between October 2 and November 1, 1989, which included Special Agent and program support positions. Unlike support positions, the hiring of Special Agents is a lengthy and time-consuming process which takes approximately six months to complete. Twelve BNE headquarters positions, including the Assistant Chief, the DOJA II (Department of Justice Administrator II), analysts and clerical staff, will be filled by March 1, 1991.

Incremental hiring has taken place since October 1989, with 26 Special Agents assigned to CrackDown from the Special Agent

Academy that will graduate April 1, 1991; four additional Special Agent in Charge positions have been filled, three in BNE and one in BOCCI; and support staff was augmented at BNE headquarters including associate analysts, staff analysts and clerical staff.

Resources in the form of support personnel were also allocated to Administrative Services Division, all of which have been hired, as have the positions allocated to the Bureau of Forensic Services.

Of the 240 positions allocated to the CrackDown program, there were 97 sworn positions and 129 miscellaneous positions filled as of December 31, 1990. This implementation enabled BNE to staff 10 CrackDown enforcement teams and two money laundering teams, with a total of 74 BNE Special Agents, three BOCCI Special Agents and 8 Auditors in seven field offices statewide; and BOCCI to staff a Narcotics Intelligence Network in Los Angeles and San Francisco, and to relocate personnel to the Western States Information Network to work on systems integration and case intelligence management.

Equipment

The total expended on equipment during the implementation period of October 1989 to December 1990 was \$4,768,276 (see Attachment D). While not all identified equipment has been purchased, included in what has been purchased through December 31, 1990, are 99 Special Agent vehicles, 9 surveillance vans, 10 vans for BOCCI, body armor, copiers, cameras, 66 personal computers, 20 MP5 submachine guns, 3 CLETS machines and 2 Cessna airplanes at approximately \$91,000 each. Because of the redirection of funds by the Legislature, the planned purchase of a helicopter was not made.

General Program Developments

Additional program developments include the preparation and completion of the Crackdown Manual; negotiations for three formal, multiagency task forces, one each in Los Angeles, Orange and Riverside; and the preparation of Memoranda of Understanding for each of those task forces. These memoranda should be finalized and signed in early 1991.

Federal Funds

Efforts were made to secure federal funds in support of the program. As previously noted, \$7.191 million of the appropriation approved by the Legislature is reimbursement money from federal funds. These funds are made available to the state from the Federal Budget Act and are administered at the state level through the Office of Criminal Justice Planning (OCJP). Following passage of SB 1661, BNE submitted a grant application to OCJP for the federal reimbursement money, and that application was accepted. BNE submitted the first Quarterly Report to OCJP on December 1, 1990, for expenditures to be reimbursed from the federal grant money allocated to the CrackDown program.

In addition, BNE analysts examined the federal Bureau of Justice Assistance's fiscal year 1990 Discretionary Grant Announcement for available grants. (The Bureau of Justice Assistance is the agency responsible for administering discretionary funds made available to the states, from the Federal Budget Act, for criminal justice programs.)

The research revealed only two grants that might relate to CrackDown, both falling under the program heading "Multi-Jurisdictional Anti-Drug Task Forces." Two subtopics were presented: "Crack-Focused Substance Enforcement Program" -- which would have provided up to \$1 million for continuing four to five existing sites. CrackDown did not meet the criteria under the definition of "staffing" and was not an already existing program; and "Organized Crime/Narcotic Trafficking Task Forces" -- up to four new project sites could be funded at \$150,000 each and the focus of the task force must be toward organized crime's involvement in drug trafficking. The CrackDown budget far exceeded the target funding proposed for a new program.

While CrackDown was not eligible for any discretionary money in fiscal year 1990, the department will continue to explore federal funding in any 1991 grant announcements.

Operational Components

Specifics on the implementation of the four component parts of the program are as follows:

Investigation/Money Laundering

The focus of the CrackDown program is to target investigations against cocaine trafficking organizations and to conduct parallel money laundering probes. As CrackDown teams have been assigned in their respective field offices, information on organized cocaine trafficking has been supplied by the Criminal Intelligence Specialists (CISs). In consultation, the CISs, Auditors and Special Agents select targets, and the investigative process proceeds while a concurrent financial case is developed. Money laundering teams have been placed in Los Angeles and San Francisco where significant intelligence revealed major traffickers and their organizations are located. In the field offices where there is no money laundering team, there is at least one Auditor assigned to a CrackDown team. This allocation allows for ongoing review and development of information on the financial interests in these investigations.

As a result of the CrackDown narcotic enforcement/money laundering teams, 186 investigations were conducted and more than \$7 million in assets seized from October 1989 to December 1990. For additional details of this operational component see Attachment C.

Intelligence

A key element for the success of combatting major narcotic traffickers is the development, exchange and use of statewide, national and international intelligence on the importation and distribution of cocaine. BOCCI has established a Narcotic Intelligence Network (NIN) in the San Francisco Bay Area staffed with a Criminal Information and Intelligence Supervisor (CIIS) and four Criminal Intelligence Specialists (CISs) to complement and work with the established Los Angeles NIN. The Los Angeles NIN, also staffed with one Criminal Information and Intelligence

Supervisor and four CISs, has been a regional intelligence coordination program, with target selection capability.

Since the implementation of CrackDown, BOCCI has linked these two automated networks and has also established access with the Western States Information Network to have all information automated and regionally accessible. (WSIN is one of six regional intelligence systems in the United States and responds to the narcotics intelligence needs of law enforcement in five states: Alaska, California, Hawaii, Oregon, and Washington.) Thus, analysts have ready access to information for case development and coordination critical for assisting field investigations. However, BOCCI and BNE are continuing to work together and with other agencies to ensure all necessary sources of information are identified and included in the intelligence sharing process. CISs assigned to CrackDown in BOCCI, working with these data systems and doing necessary analysis, have provided invaluable information to CrackDown teams. This is evidenced by the CISs having identified 23 separate criminal groups and 852 suspects. In addition, during this same implementation phase, BOCCI assigned three Special Agents to CrackDown teams to assist the investigative efforts by pro-active intelligence collection on major traffickers.

BOCCI conducted two CrackDown Criminal Intelligence Training Academies for DOJ personnel: the first from July 9 through July 25, 1990; and the second from November 27 through December 13, 1990. Both the academies, held in Sacramento, provided 101 hours (13 days) of instruction on a variety of topics including charting techniques, basic elements of intelligence, Colombian and Mexican narcotic traffickers, ethics, street gangs, money laundering, and sources of information. In addition, training was provided on a number of automated systems. The purpose was to instruct students on how to apply the intelligence process, including the utilization of technology and intelligence concepts, to the investigations of narcotics trafficking and the laundering of proceeds from the sale of narcotics. Nineteen individuals attended the first academy which was comprised of ten CISs, one CIIS, four Special Agents, three Investigative Auditors, and one Staff Services Analyst. Of the 14 participants in the second academy, there were 11

CISs, two CIIS and one Investigative Assistant (assigned to the Criminal Division in the Department of Justice and not part of the CrackDown Program).

Support

Specialist Personnel It is essential to ensure that all necessary resources and personnel are available to support task force efforts for the investigative effort to proceed unimpeded. To this end, support personnel in the form of clerical staff, specialized non-sworn personnel and analytical staff have been hired and located at BNE, BOCCI, and BFS headquarters, and in the field offices throughout the state. Support positions such as Criminal Intelligence Specialists and Auditors have been assigned to work with CrackDown teams either onsite in BNE field offices or to enhance NIN operations.

Local Agency Travel and Overtime Funds for travel and overtime expenses for local agencies participating on formalized task forces or with CrackDown teams have been allocated, but to date no money has been expended. The department is presently completing the required state contracts with local agencies, at which time overtime and travel expenses incurred by their officers will be reimbursed. To date, reimbursement claims for overtime and/or per diem have been submitted from five separate agencies totaling approximately \$9,500.

Technical Photo-Electronics Specialists are assigned in BOCCI and assist CrackDown teams with their specialized electronic and photographic equipment needs. BOCCI currently has two Photo-Electronic Specialists, one serving Southern California out of the Los Angeles BOCCI office, and the other serving Northern California out of BOCCI headquarters and the surveillance equipment pool.

Air Operations The CrackDown program is also providing support in the form of air operations. Air support is a vital element to surveillance-intensive cases such as those being worked by CrackDown teams against major cocaine traffickers. It is also vital to local agencies with

limited resources that still have major narcotic cases to investigate. To assist in the coordination and allocation of air support, a new Special Agent Supervisor position was allocated as part of CrackDown. This position was filled during the implementation period, and the supervisor assumed his responsibilities in April 1990. Over the past 14 months of the CrackDown program, air operations has logged 436 flight hours and 277 standby hours at a total cost to the program of \$115,512.

Witness Protection BOCCI is continuing to offer support in the area of witness protection, having expended \$41,055 since the implementation of CrackDown. During this time, there were 13 requests for protection, and 13 witnesses were protected along with 18 family members.

Management

CrackDown legislation requires the formation of advisory groups to oversee and advise the progress of the program and enforcement efforts. One of the two groups formed was the Executive Advisory Council. Comprised of the commanding officers within the Department of Justice and allied state, federal and local agencies, the primary goal of the Council is to encourage networking and coordination among high-ranking law enforcement officials throughout the state. The second group is the Command Advisory Committee. These committees are required for each CrackDown Task force team where there is a formalized agreement between the Department of Justice and other agencies. The committees are composed of the Special Agent in Charge of the field office and the department head of each participating agency. These committees are responsible for the general oversight of the Crackdown team operations. At this time, three committees are being formed: one each in Orange, Los Angeles, and Riverside. Memoranda of Understanding are being finalized for formal CrackDown Task Force teams in these three areas.

HIGHLIGHTS

By December 1990, 74 Special Agents were assigned statewide by BNE to work on CrackDown cases full-time. This enforcement component was complemented by three BOCCI Special Agents assigned to CrackDown teams and supported by eight Auditors from BNE, along with two Criminal Information and Intelligence Supervisors, eight Criminal Intelligence Specialists and one Photo-Electronics Specialist from BOCCI. In October 1989, BNE began to implement the CrackDown program by redirecting existing resources to immediately develop a coordinated enforcement effort. As Special Agents graduated from the Special Agent Academy, teams were added to field offices, so that by November 1990 there were ten CrackDown enforcement and two money laundering teams in seven field offices throughout the state.

Since the implementation of CrackDown in October 1989, 186 investigations were opened resulting in 419 arrests, the confiscation of more than \$7 million in cash and assets, and the seizure of 1,592 pounds of cocaine. This can be compared to the pilot program when task forces were responsible for 21 arrests, the seizure of approximately \$858,000 worth of cash and property, and some 457 pounds of cocaine.

In all these cases, many of the arrests and seizures were the result of, or enhanced by, information generated by the Criminal Intelligence Specialists who provided target information and support documentation on investigations. In addition, the CISs over the past 15 months have identified 46 targets, developed 28, and referred 10 of the 28 developed to BNE. The CIS staff has prepared 52 Criminal Intelligence Reports, 57 charts and prepared 42 telephone toll/pen link analyses.

Based on the number of backlogged cases reported by the CrackDown teams, these targets, criminal groups and suspects identified by the BOCCI analysts, coupled with complete enforcement staffing at the field office level, should result in a significant increase in the number of cases, arrests and seizures in CrackDown's second year. With all the teams finally in place, and the support program fully operation, the full effects of a coordinated enforcement effort should now be realized. (See attachments for detailed program statistics.)

CRACKDOWN TASK FORCE TEAMS AND ENFORCEMENT IMPACT

There are presently seven field offices which have CrackDown teams assigned. Where to place CrackDown teams followed careful consideration of prior cocaine cases, cocaine-related activity, gang-related activity and the potential for cocaine trafficking which would necessitate the dedication of resources. A map of the state with the field offices having CrackDown teams and the counties they serve is included with this report as Attachment E.

San Francisco

The San Francisco field office has two CrackDown teams: The first is a money laundering team with a Special Agent Supervisor, six Special Agents and one Auditor and became operational in November 1990. The second team, a CrackDown narcotic enforcement team with one Special Agent Supervisor and four Special Agents, was one of the pilot program teams and became operational under the CrackDown program in January 1990. The enforcement team has worked on a cooperative, informal basis with Berkeley Police Department, Alameda County Probation Department, Alameda County District Attorney's Office, Oakland Police Department and the California Department of Corrections. These CrackDown teams serve eight counties in the Bay Area and also have a BOCCI Special Agent assigned.

Largest Cocaine Seizure in Berkeley History

On December 1, 1990, San Francisco BNE CrackDown agents, assisted by the Berkeley Police Department, seized 17 kilos of cocaine and arrested five Colombian nationals affiliated with the Cali Cartel. Undercover agents arranged to pick up two Colombian nationals from the Oakland Airport on November 29, 1990 to meet and arrange for the purchase of 20 kilos of cocaine for a negotiated price of \$25,000 per kilo. Arrangements were made for the suspects to be transported to the Berkeley marina to discuss the deal. The undercover officers showed the Colombian nationals approximately \$95,000 in cash during the negotiations. The Colombian nationals left for Los Angeles to arrange for the

transportation and delivery of the cocaine. On December 1, 1990, the Colombian nationals returned to Berkeley via Oakland Airport and indicated that the cocaine was already in the Bay Area, and they were ready to do the deal. The Colombian nationals showed the undercover officers approximately 17 kilos of cocaine, at which time all five suspects were arrested by officers from the CrackDown team.

San Diego

The San Diego CrackDown narcotic enforcement team serve two counties in the southernmost portion of the state. The team, which had been part of the pilot program, became operational under the CrackDown program in January 1990 and consists of three Special Agents and one Auditor. This team has worked on a cooperative, informal basis with San Diego Police Department, Oceanside Police Department, Chula Vista Police Department, National City Police Department, San Diego County Probation Department, San District Attorney's Office, DEA, U.S. Customs Service, Federal Bureau of Alcohol, Tobacco and Firearms, and the FBI.

Operation "Red Rag"

In August of 1990, the San Diego Police Department and District Attorney's Office initiated Operation "Red Rag," an undercover operation targeting several "Blood" street gang sets in the city of San Diego. The San Diego Police Department and the District Attorney's Gang Unit requested the assistance of San Diego BNE and BOCCI in this investigation, as well as the assistance of the Federal Bureau of Alcohol, Tobacco and Firearms. All entities fulfilled the request for assistance. The CrackDown team's role was to fund and be responsible for the higher level violators, while the Gang Detail would fund and be responsible for street-level dealers. The operation was a major success, with 145 buys being made from 114 suspects. BNE funded the buys from 15 suspects, totaling approximately \$8,000. The Gang Detail funded the other buys, which totaled approximately \$30,000. The round-up began on November 27, 1990, and 96 suspects were arrested.

Los Angeles

The Los Angeles CrackDown teams serve four counties in Southern California. There are five CrackDown teams assigned in the Los Angeles field office. One team is a money laundering team comprised of four Special Agents and two Auditors which became operational in November 1990. One CrackDown narcotic enforcement team is a CrackDown Task Force and is composed of one Special Agent Supervisor, five Special Agents and officers from Whittier, South Gate and Burbank Police Departments. This team was part of the pilot program and was identified as ASALT (Allied State and Local Team). ASALT became a CrackDown Task Force in November 1990. There are three other narcotic enforcement teams in Los Angeles. The first consists of one Special Agent Supervisor and five Special Agents and became operational in June 1990. The second is comprised of one Special Agent Supervisor and six Special Agents and became operational November 1990. The third team is composed of three Special Agents and also became operational in November. In addition, there is one Special Agent assigned from BOCCI to the CrackDown program in Los Angeles.

Los Angeles CrackDown Team Seizes 1,063 Pounds of Cocaine

On November 9, 1990, the Allied State and Local Team (ASALT), comprised of agents and officers from the Burbank Police Department, South Gate Police Department, Whittier Police Department, and Los Angeles BNE, served search warrants on two large flatbed trucks parked at Arcary International Engines and seized 1,063 pounds of cocaine. This seizure occurred in the city of Santa Fe Springs. The cocaine was hidden in compartments between the frame and bed of the truck, and accessed by a hydraulic system to raise the bed of the truck. The seizure was a result of a month-long investigation into a large-scale Colombian and Mexican cocaine smuggling distribution organization operating in Southern California.

ASALT members obtained additional search warrants, one of which was for a residence in Covina, where agents found a money counter machine, beepers, a cellular phone and \$17,681 in cash. On November 14, 1990, ASALT members, assisted by the members of the El Centro Narcotic Task Force, agents from the Drug Enforcement Administration out of El Centro, and officers from Holtville Police Department, served an additional search warrant on what was believed to be the residence of two suspects. At this

residence agents seized a small amount of cocaine, an assault rifle and additional evidence.

Cocaine Conversion Lab

On August 17, 1990, the Los Angeles ASALT and members of the Los Angeles Clandestine Lab Team assisted Burbank Police Department in serving multiple search warrants in Los Angeles County.

The investigation dealt with large-scale Mexican cocaine traffickers operating in the San Fernando Valley of Los Angeles County. As a result of the search warrants, 20 arrests were made; 18 kilograms of cocaine were seized, along with 50 additional pounds of cocaine, cut with Procaine and Lidocaine; 20 pounds of marijuana; and approximately \$310,000 in cash. A fully operational cocaine conversion lab, located in Woodland Hills, was seized on a follow-up search warrant. ASALT's members and Burbank Police Department detectives worked for over six hours at the lab site, processing enormous amounts of evidence found at the location including over 30 gallons of acetone, 100 pounds of Lidocaine and Mannitol and 10 gallons of ether. Several false compartments were found in the residence with amounts of cocaine and cash concealed in them. It is estimated that the lab site was processing over 50 kilos of cocaine per week. Four assault rifles and six handguns were also seized.

Orange

The Orange CrackDown narcotic enforcement team, which became operational in November 1990, is responsible for the county of Orange and consists of one Special Agent Supervisor, six Special Agents and one Auditor. The CrackDown team has been working cooperatively and informally with Long Beach Police Department.

Coast-to-Coast Operation

The following is a significant cocaine case which occurred after the implementation of the CrackDown program but prior to the formation of a dedicated CrackDown team in Orange. The case further illustrates the extent and the complexity of the cocaine problem and the need for drug specific task forces.

On March 7, 1990, Orange BNE and members of the Regional Narcotics Suppression Program concluded a six-month investigation into a major narcotic trafficking organization. This investigation, which yielded a 700-kilo cocaine seizure on November 25, 1989, involved a distribution network providing cocaine to the Southern California area, specifically Orange County, as well as the East Coast of the United States. As a result of this ongoing effort, a total of 4,558 pounds of cocaine was seized between November 1989 and March 8, 1990, and a number of arrests were made. The case began in October 1989 when an investigation was initiated on a group of individuals suspected of moving large quantities of cocaine into and through Orange and Los Angeles Counties and back to the New York/New Jersey area. Acting on information developed from extensive surveillance, a case package was prepared which directly involved eight locations. As a result, officers followed a 1989 Tioga motor home to the desert area of California, where it was stopped, and officers discovered a false roof on the motor home which contained 700 kilos of cocaine. The officers seized the cocaine and the motorhome but to preserve the integrity of the case, the suspects were released and are presently being sought for conspiracy. After six months of extensive surveillance, the case culminated on March 7, 1990. Officers followed a van with partitions blocking the view into the cargo area to the city of Costa Mesa. At that point, officers stopped the van and recovered 658 kilos of cocaine from the cargo area and seized the van. Following the service of multiple search warrants on various locations that same day, officers seized an additional 714 kilos of cocaine, approximately \$20,000 in U.S. currency, a utility truck, and five vans.

Sacramento

The Sacramento CrackDown narcotic enforcement team is responsible for a 17-county area in Northern California. The team, consisting of one Special Agent Supervisor, six Special Agents and one Auditor, has worked on a cooperative, informal basis with San Joaquin Sheriff's Office, San Joaquin 4 District Attorney's Office, Stockton Police Department and Tracy Police Department. Sacramento served as a CrackDown pilot program office, and the present team became operational in January 1990.

Multi-Level Dealers

In June, 1990, on information received from a confidential informant, agents from Sacramento BNE began a narcotic investigation into the trafficking of a Modesto multi-kilo cocaine dealer. Through the confidential informant, agents negotiated for the purchase of three kilograms of cocaine. Agents followed the suspect after the informant negotiated the deal and maintained surveillance on two residences where the suspect had previously been observed. On the evening of June 14, 1990, the informant made contact with a subject negotiating for the cocaine and arrangements for the initial purchase of three kilos of cocaine were completed. Agents prepared search warrants for the two residences under surveillance and the warrants were served with the assistance of the Stanislaus County Sheriff's Office. The suspect was arrested and a search of the first residence resulted in the seizure of approximately 29 pounds of cocaine, an Ohaus measuring scale and three handguns. In addition, a 1984 Ford Bronco was seized under state asset forfeiture laws. Service of the search warrant at the second residence did not result in any additional arrests or seizures.

San Jose

The San Jose CrackDown narcotic enforcement team became operational in November 1990 and is responsible for servicing five counties in the south Bay Area and north-central coastal portion of California. The team consists of one Special Agent Supervisor, five Special Agents and one Auditor.

Riverside

The Riverside CrackDown narcotic enforcement team serves two counties in Southern California. The team became operational in June 1990, and is a CrackDown Task Force team comprised of one BNE Special Agent Supervisor, five Special Agents, one Auditor and six additional officers from Brea Police Department, Whittier Police Department, Riverside Police Department, San Bernardino District Attorney's Office and Riverside Sheriff's Office.

Arrest and Seizure By the Riverside BNE CrackDown Task Force

On October 5, 1990, the Riverside BNE CrackDown Task Force served a search warrant in Los Angeles. The team followed the suspect from Upland where he took five kilos of cocaine to be sold to an undercover officer on October 4, 1990. The transaction did not occur, but the task force followed the suspect to his residence in Los Angeles with the five kilos. The surveillance continued until the next day, when agents saw the suspect placing packages in two different vehicles. The suspect left his residence in one of the vehicles and was stopped and detained. A search warrant was obtained, and agents recovered five kilos of cocaine in the vehicle at the residence, and one additional kilo and \$85,000 in cash were recovered at the residence.

LOCAL AGENCY PARTICIPATION AND SUPPORT

The object of the task force concept is to bring together resources and expertise to provide the most effective means to conduct complex, long-term investigations. To this end, while BNE can provide leadership and some funding, the bureau relies on local and allied agencies to participate and contribute their resources and expertise.

Since the implementation of CrackDown, individual teams have responded to team up with local agencies and provide assistance on major cases, and all the teams have worked jointly with local agencies through informal, cooperative effort. In some offices, such as Riverside and Los Angeles, there are more formalized agreements with local agencies. In these cases the local agency has agreed to assign an officer or officers to the CrackDown team for a specified period of time. In most instances, however, the working relationship with local agencies is less formal, and officers are assigned on a case-by-case basis. In both instances the commitment by local, allied and federal agencies has been substantial. Since October 1989, 49 different local and allied agencies in some way participated or contributed to CrackDown. These agencies ranged in size from small police departments to major federal agencies. In addition to police departments and sheriffs' offices, numerous agencies like the Federal Bureau of Alcohol, Tobacco and Firearms, U.S. Customs Service, the FBI, Internal Revenue Service, county probation departments and the California Horse Racing Board (to name a few) have dedicated resources to various cases over the first year of the CrackDown program.

Two teams have formalized task forces: Riverside, where the BNE team has assigned officers from Brea Police Department, Whittier Police Department, and Ontario Police Department; and Los Angeles, where one BNE team has assigned officers from Whittier Police Department, South Gate Police Department, Burbank Police Department, and Downey Police Department. The total hours contributed by the four local agencies to the Riverside Task Force from June through December 1990 were 4,623.5 hours. In Los Angeles, the total hours contributed by local agencies to the Task Force team (the former ASALT) from October 1989 through December 1990 were 16,187 hours. These two task forces alone provided a significant number of hours in the effort to combat the major cocaine trafficking organizations. They, along with the remaining agencies, provided a total of 22,481 hours to the CrackDown program.

CRACKDOWN PROGRAM STATISTICS

Program	Pilot Program 6/89-9/89	CrackDown 10/89-12/90
Weapons Seized:		
Fully Automatic	--	9
Handguns	10	107
Rifles	4	40
Shotguns	4	10
Explosives	--	2
Other (illegal weapon)	--	<u>1</u>
TOTAL	18	169

**Estimated Value of
Assets Seized:**

Cash	\$663,177	\$6,928,489
Personal Property	34,000	74,820
Vehicles	N/A	9,500
Vehicle Proceeds*	<u>57,000*</u>	<u>70,750*</u>
	\$754,677	\$7,083,559

Drug Seies:

Cocaine	457 lbs	1,592 lbs.
Marijuana	N/A	180 lbs.
Methamphetamine	N/A	23 lbs.
Heroin	N/A	17 lbs.

*The estimated value of the vehicles seized which will be sold.

BNE TEAMS OPERATIONAL

	Pilot Program Ending 9/89	CrackDown Program 10/89 - 12/90
Teams		10 CrackDown enforcement
		<u>2</u> Money Laundering
	5 TOTAL	12 TOTAL
Arrests	21	419
Investigations Opened	36	186
Helicopter Hours		131
Airplane Hours		<u>305</u>
Flight Hours (total)	N/A	436
Aircraft Maintenance	N/A	\$ 9,214
Aircraft Rental Cost	\$138,500	\$115,511

	<u>Special Agents</u>	<u>Auditors</u>	<u>Non-DOJ</u>
Compensated Hrs	67,360	4,200	22,481
Compensated O.T.	16,484 hrs		
Non-Compensated Time Off	2,182 hrs		
Per Diem Paid	\$ 117,665		
Mileage Logged	1,009,220 miles		

**NARCOTIC ENFORCEMENT/MONEY LAUNDERING
STATISTICS 10/89 - 12/90**

CrackDown Narcotic Enforcement Teams 10

Sacramento (1)
San Francisco (1)
San Jose (1)
Los Angeles (4)
Riverside (1)
Orange (1)
San Diego (1)

CrackDown Money Laundering Teams 2

San Francisco (1)
Los Angeles (1)

# of BNE special agents	74
# of BOCCI special agents	3
# of auditors	8
# of local agencies participating	49

10/89-12/90	
# of local officer hours	22,481

10/89-12/90	
# of investigations	186

Estimated value of assets seized	\$7,083,559
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CRACKDOWN EQUIPMENT PURCHASES*

Equipment	Total Purchased	Status
Agent Vehicles	99	Complete
Vehicle Radios	198	Complete
BOCCI Van	10	Complete
Vehicle Alarms	116	25 to be purchased
Body Armor	120	56 to be purchased
Copiers	2	4 to be purchased
CLETS	3	2 to be purchased
Surveillance Vans	9	Complete
Auditor Vehicles	23	Complete
Field Pool Vehicles	8	Complete
Red Lights	126	Complete
Sirens	126	Complete
Cessna Aircraft	2	Complete
Wulfsberg Radios	2	Order at Finance
Helicopter Spotlight		2 to be purchased
Intelligence Transmitters	10	4 to be purchased
Camcorders	14	Complete
35 mm Cameras	14	Complete
Hands Free Communicators	99	Complete
Cellular Phones	39	28 to be purchased
Mobile Repeaters	2	Complete
MP5A Machine Guns	20	Complete
Gyrobinooculars	2	2 to be purchased
Night Scopes	5	9 to be purchased
Intelligence Kits	7	4 to be purchased
Spotting Scopes	9	Complete
PCs	66	82 to be purchased

Total Equipment Expenditure

10/89 - 12/90

\$4,768,276

* Equipment identified as part of the Standard Complement has been purchased for every position filled.

REDDING FIELD OFFICE
No CrackDown Team

SACRAMENTO FIELD OFFICE
1 CrackDown Team

SAN FRANCISCO FIELD OFFICE
Down Team
Money Laundering Team

SAN JOSE FIELD OFFICE
Down Team

FRESNO FIELD OFFICE
No CrackDown Team

LOS ANGELES FIELD OFFICE
CrackDown Team
Money Laundering Team

ORANGE FIELD OFFICE
1 - CrackDown Team

SAN DIEGO FIELD OFFICE
1 - CrackDown Team

RIVERSIDE FIELD OFFICE
1 - CrackDown Team

IONS SUPPORT SECTION