The original documents are located in Box 127, folder "Oct. 15, 1973 - Speech, National Association of Retail Druggists, Portland, OR (Press Release Only)" of the Gerald R. Fod Vice Presidential Papers at the Gerald R. Ford Presidential Library.

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REPUBLICAN LEADER, U. S. HOUSE OF REPRESENTATIVES
BEFORE THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS

AT THE OLYMPIC HOTEL PORTLAND, OREGON

11 A.M. OCTOBER 15, 1973

## FOR OF FRITO

## FOR RELEASE ON DELIVERY

It is a great privilege and a distinct pleasure to be here with you today.

Standing before hundreds of druggists reminds me that America is very much a land of tradition...because certainly one of America's most time-honored traditions is that of the corner drugstore.

Whether the drugstore is on the corner or not, there is no question that the druggist is a community figure, a man everybody in town knows, a fellow they all go to for advice.

This is one reason why the community pharmacy will continue to occupy a central role in this country's health care delivery system, regardless of what the future may hold for that system.

I might say in that connection that prospects for any kind of national health insurance are dim in this session of the 93rd Congress. If there is to be any action in that area, it will come next year and not before the end of this session.

What form such legislation might take is anybody's guess. You are all no doubt familiar with the Kennedy-Griffiths health insurance bill, which would revoluntionize health care in this country by bringing the Federal Government into the picture as the monitor of every American's physical ills. As of this moment, the Administration has not laid its health insurance recommendations before the Congress. And so I will not spend much time on this issue at this point in time.

I would add this, however. In my view, the National Association of Retail Druggists certainly should be afforded the opportunity of making itself heard concerning every health care question that faces the country.

I would also appreciate support from the NARD on several bills now pending before the Congress in the area of drug abuse.

The new anti-drug-abuse agency known as the Drug Enforcement Administration is pushing for a Heroin Trafficking Act which would provide tough new penalties for heroin peddlers, including mandatory prison sentences, and allow judges to consider danger to the community before releasing arrested traffickers on bail.

The DEA also wants legislation which would provide greater powers to prevent the diversion of methadone and would like to see passage of a bill which would lay the groundwork for ratification of an international treaty imposing tighter controls on psychotropic substances.

This last piece of legislation -- the bill dealing with psychotropic substances -- is one where we especially need your support. The purpose of the Act is to permit the U.S. to become a member of the International Convention on Psychotropic Substances.

Although narcotic drugs have been subject to international controls since 1912, the international movement of psychotropic substances -- principally, the depressants, stimulants, and hallucinogens -- continues without regulation. A treaty has been successfully negotiated and signed by 30 nations but is subject to ratification by their respective governments.

The bill now before Congress -- and it was introduced just last Sept. 19 -- expressly states that it is the intent of Congress that the provisions of the Act will satisfy all legal requirements for the U.S. to become a member of the Convention on Psychotropic Substances. The Convention or Treaty will aid the United States' enforcement and diplomatic initiatives aimed at curbing the traffic in drugs diverted from international commerce. This has become an increasingly important problem with regard to stimulant and depressant drugs legitimately manufactured in European countries and subsequently smuggled into this country.

There has been some Senate action which touches on the Heroin Trafficking Act but it does not meet the situation. The Senate recently approved an amendment to another bill which provided for even stronger penalties for heroin traffickers than those recommended by the Administration. But this amendment

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leaves untouched the important question of pretrial detention of heroin traffickers considered to be a danger to the community.

I strongly favor giving a judge pretrial detention powers in dealing with heroin traffickers because current bail procedures are sharply hindering the Government's efforts to reduce illicit sources of narcotic drugs.

There is evidence of this in a study made of 422 cases of individuals released on bail during calendar year 1970. All of these individuals were charged with offenses of trafficking in narcotic drugs. The criminality of the violators was shown in that 64 per cent had previous felony arrests; 40 per cent had previous drug arrests; and 20 per cent had previous drug convictions. This tended to suggest that their arrest for narcotics trafficking was merely a further episode in a continuing criminal career.

What happened to these 422 defendants? Bail was set at less than \$10,000 in 77 per cent of the cases, and in 19 per cent of the cases it cost the defendants nothing to obtain their release. Normally, a defendant must simply raise 10 per cent of the total bail amount to post bond. Thus, a narcotics trafficker can return to his chosen profession with relatively little financial cost.

Of the 422 defendants, 71 per cent were free to engage in post-arrest trafficking activity for more than three months prior to actual incarceration, and 37 per cent were free from six months to over a year.

It was found that in many cases of post-arrest drug trafficking activity, the subsequent violations took place within days and sometimes just hours after release on bail.

Important violators may be arrested two or three times and repeatedly released on low bail before being brought to trial on the original charge.

In my view, this study of bail release experience with drug traffickers constitutes irrefutable evidence that judges should be given the power to hold drug traffickers without bail under certain circumstances.

I mentioned earlier a bill to provide tougher controls over methadone. That bill has passed the Senate and is expected to pass the House this month.

While there is a clear-cut need for enactment by the Congress of the legislation I have cited, there is no question that the Administration has been making steady progress in the war against drug trafficking and drug abuse.

Supplies of illegal drugs from abroad -- especially heroin -- have been cut sharply by arrests in this country and by help from other nations. And the Government's crackdown will be felt even more now that several agencies have been combined into a single new office -- the Drug Enforcement Administration.

In the area of drug abuse and drug addiction treatment, Federal funds have been pumped into treatment clinics and this has eliminated waiting lists in most instances.

I probably don't have to tell you very much about the Bureau of Narcotics and Dangerous Drugs and its activities. Incidentally, BNDD was absorbed into the new Drug Enforcement Administration as of last July 1.

And so DEA will continue and in fact step up attacks on the sources and distribution of illicit drugs of abuse and continue efforts to eliminate the diversion of dangerous drugs from legitimate channels.

The problem of diversion of dangerous drugs from legitimate channels has existed for many years, but it is only since the passage of the Controlled Substances Act in 1970 that real progress has been possible. Since that time the Federal Government's budget and manpower commitments in this area have steadily grown, as have the number and importance of BNDD actions.

At the present time there are approximately 457,000 active individual entities involved in the production and distribution of controlled substances registered with the Federal Government. This includes some 470 basic manufacturers, 2,394 wholesale distributors, nearly 51,000 retail pharmacies, and the balance of more than 400,000 professional practitioners. With such an immense network, it is clear that diversion of drugs can occur, and of course it does.

The Government is attempting to deal with this problem in a number of ways. All manufacturers and wholesalers are scheduled for complete in-depth audits every three years. The Federal Government also has agreements with 44 States which provide routine inspections at the retail and practitioner level.

Criminal investigations involve only a small number of registrants, but the damage which can result to society from their activity is tremendous. Literally millions of amphetamines, barbiturates, and doses of methadone and other drugs have entered illicit channels in this fashion.

The BNDD earlier this year began experimenting with what is known as the Diversion Investigative Unit concept, which was established in three States on a pilot basis with Law Enforcement Assistance Administration funds. These Units consist of State investigators and legal officers who operate with a permanently assigned Bureau liaison officer. Their mission is to discover and eliminate diversion resulting from ostensibly legitimate endeavors. This experiment has been so successful that an expansion of the concept is indicated.

New powers granted to the BNDD by Congress in 1970 have sharply curtailed production and diversion of legitimately manufactured amphetamines into illicit channels, and similar action is being taken with regard to certain of the more dangerous barbiturates.

In the field of drug law enforcement, principal emphasis has been placed on the source and distribution of illicit drugs. Every effort is being made to halt the flow of illicit drugs at their foreign sources and to disrupt illicit domestic commerce in them at the highest and most organized levels.

During fiscal year 1972 the BNDD was responsible for the arrest of more than 7,000 persons and the seizure of 3,335 pounds of heroin, more than 3,000 pounds of heroin equivalents in terms of morphine base and opium, 675 pounds of cocaine, 8,837 pounds of hashish, approximately 50 million dosage units of pills, 157,700,000 dosage units of hallucinogens, and some 70 tons of marihuana.

These figures are impressive, but we must be satisfied with nothing less than an overall reduction in the amount of

drugs available for abuse. This is why pre-trial detention of drug traffickers is important. It is important because often the BNDD finds its otherwise successful efforts to disrupt the drug traffic frustrated by the release of major violators on bail for many months. Meantime they continue their activities and train replacements against the day of their eventual incarceration.

I would like now to mention a development which I think will greatly strengthen us in our war against illicit narcotics. This is the establishment, as of last July 1, of the new Drug Enforcement Administration under a Presidential reorganization plan.

Some ill-advised members of the House sought to frustrate this reorganization last June but fortunately this attempt was turned back by the House, 281 to 130.

The reorganization folds into the new Drug Enforcement Administration the resources of BNDD, Customs narcotics agent personnel, the office of National Narcotics Intelligence and the Office of Drug Abuse Law Enforcement.

This reorganization should lead to stronger drug law enforcement because it will eliminate the operational difficulties and jurisdictional conflicts which were inevitable as long as the Federal Government's anti-drug-abuse activities were fragmented and divided. What we have now is a new agency with more money, more people, and broader responsibility, making possible the focus of more effort under a single management on the strategic and vulnerable points of the drug traffic. BNDD has done much; the new agency will be able to do even more.

We now have a unified command over the Government's effort to curb suppliers of narcotic and dangerous drugs.

We have at long last arrived at the point where the basic patterns of our national anti-drug effort have been established and reasonable resources have been deployed to implement them.

The intensity of our enforcement attack and international programs has resulted in the disorientation of lines of illicit drug traffic which have operated undisturbed for years.

But the successes to date have merely given us an advantage which could be blown away in a single season. The task now before us is one of turning a defeat for the enemy into a rout.

We must continue severe harrassment of international traffickers and must assist the nations involved in coming to grips with their own domestic drug problem.

We must never despair and take the attitude that nothing can be done about the drug abuse problem. That way lies disaster. A strong shift of sentiment in this direction could make all other intelligent and courageous action useless.

We are exerting our very best efforts in this drug abuse fight, but we need your help. And with your help, we can make great strides toward our goal of sharply reducing illicit drug traffic in America.