



# Drug Market Analysis

# 2008

# Central Valley California High Intensity Drug Trafficking Area



NATIONAL DRUG INTELLIGENCE CENTER  
U.S. DEPARTMENT OF JUSTICE





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This assessment is an outgrowth of a partnership between the NDIC and HIDTA Program for preparation of annual assessments depicting drug trafficking trends and developments in HIDTA Program areas. The report has been coordinated with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.



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# PREFACE

This assessment provides a strategic overview of the illicit drug situation in the Central Valley California (CVC) High Intensity Drug Trafficking Area (HIDTA), highlighting significant trends and law enforcement concerns related to the trafficking and abuse of illicit drugs. The report was prepared through detailed analysis of recent law enforcement reporting, information obtained through interviews with law enforcement and public health officials, and available statistical data. The report is designed to provide policymakers, resource planners, and law enforcement officials with a focused discussion of key drug issues and developments facing the Central Valley California HIDTA.



Figure 1. Central Valley California High Intensity Drug Trafficking Area.



## STRATEGIC DRUG THREAT DEVELOPMENTS

- Methamphetamine production in the Central Valley HIDTA region is increasing. Mexico-based methamphetamine producers have reestablished some production sites in the region after strong precursor chemical import restrictions reduced methamphetamine production in Mexico.
- Large-scale, organized pseudoephedrine smurfing (see text box on page 4) in the Central Valley HIDTA region is the primary means for methamphetamine producers to acquire the precursor chemical for use in local methamphetamine superlabs.<sup>1</sup>
- Some Mexican drug trafficking organizations (DTOs) in the Central Valley HIDTA have shortened the length of the cannabis growing cycle for outdoor cultivation in an attempt to avoid late summer and early fall eradication and to facilitate multiple harvests per season.
- Asian DTOs and criminal groups have increased their indoor cannabis cultivation operations in the Central Valley HIDTA; many of these groups are components of larger nationwide criminal networks.

## HIDTA OVERVIEW

The Central Valley California HIDTA was established in California in 1999 to address the threat posed to the region by illicit drugs and comprised Fresno, Kern, Kings, Madera, Merced, Sacramento, San Joaquin, Stanislaus, and Tulare Counties, encompassing more than 28,000 square miles in Central California, with a population of approximately 5 million. In February 2008, the Office of National Drug Control Policy (ONDCP) announced the designation of Shasta County,

1. Methamphetamine superlabs are clandestine laboratories capable of producing 10 or more pounds per production cycle.

California, as an addition to the region because of the significant amount of cannabis cultivation that occurs in the county. The addition of Shasta County will increase the HIDTA's land area by approximately 3,800 square miles and the population by approximately 180,000 persons. (See Figure 1 on page 1.) For the purposes of this report, however, Shasta County was not considered, as the report focuses on Central Valley HIDTA activity during the 2007 calendar year.

A well-developed transportation infrastructure in the region provides for the smooth flow of commerce, which aids DTOs in the transshipment and distribution of illicit drugs and drug proceeds to and through the area. The favorable climate in Central California that supports the region's robust agricultural industry also sustains widespread outdoor cannabis cultivation operations run by Mexican DTOs and, to a much lesser extent, Asian criminal groups. Additionally, the diverse migrant worker population in the HIDTA region employed by Central California's agricultural industry provides a community in which Mexican DTOs can operate with some anonymity.

## DRUG THREAT OVERVIEW

The CVC HIDTA is an area of significant marijuana and methamphetamine production and is a national-level distribution and transshipment area for all illicit drugs smuggled to, through, and from the HIDTA region to U.S. drug markets. Large-scale marijuana and methamphetamine production and the organizations that control these operations pose the most significant threat to the region. These DTOs are the primary sources and distributors of marijuana and methamphetamine both in the region and to drug markets throughout the United States. Ice methamphetamine and marijuana are produced in wholesale quantities in the region, primarily by Mexican DTOs. Additionally, Mexican DTOs regularly transport bulk quantities of ice methamphetamine, marijuana, powder cocaine, and heroin from Mexico into the area for subsequent regional- and national-level distribution. Indoor cannabis cultivation is

increasing in the region, primarily because of increased large-scale indoor grow operations established by Canada-based Asian DTOs. These grow sites often are located in residential neighborhoods. Indoor cannabis cultivation also has increased because some Caucasian growers have moved indoors to avoid improved outdoor detection and eradication and to attain higher profit margins through the production of high-potency indoor marijuana.

Crack cocaine and black tar heroin are also widely distributed in the HIDTA region, and the availability of other dangerous drugs and pharmaceuticals has increased over the past year in the area, compounding the problems confronting the region from illicit drug trafficking.

## DRUG TRAFFICKING ORGANIZATIONS

Mexican and Asian DTOs are the primary drug traffickers in the HIDTA region and are the greatest concern to Central Valley law enforcement officials. These groups use multigenerational family networks located in the United States and in Mexico, Canada, and Asia to facilitate illegal drug production and distribution operations. Other criminal groups, street gangs, and independent dealers operate in the area; however, the drugs that these groups and dealers distribute generally are supplied by Mexican DTOs and, to a lesser extent, Asian criminal groups.

### MEXICAN DTOs

Mexican DTOs control most illicit drug production, smuggling, transportation, and distribution in the Central Valley HIDTA and represent the most significant criminal threat to the area. Members of these organizations operate within the region's large Hispanic population, supplying drug markets in California and throughout the United States with wholesale quantities of ice methamphetamine and marijuana that they produce in Central California or smuggle to the

### Drug Trafficking Organizations, Criminal Groups, and Gangs

**Drug trafficking organizations** are complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.

**Criminal groups** operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail level and midlevel.

**Gangs** are defined by the National Alliance of Gang Investigators' Associations as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

area from Mexico. Mexican DTOs operating in the Central Valley HIDTA region also distribute cocaine and black tar heroin to local, regional, and national drug markets.

### ASIAN CRIMINAL GROUPS

Asian criminal groups, primarily ethnic Cambodian, Hmong, Laotian, and Vietnamese, are significant producers and distributors of illicit drugs in the Central Valley HIDTA area. The drug trafficking threat posed by Asian DTOs is a lesser threat than that posed by Mexican organizations; however, the drug production and trafficking operations of Asian DTOs are increasing. Canada-based Vietnamese DTOs produce high-potency marijuana in Central California, primarily at large-scale indoor grow sites.

## PRODUCTION

Methamphetamine and marijuana are produced in the CVC HIDTA in quantities sufficient to supply the numerous regional and national-level drug markets. Most of the marijuana and methamphetamine available in the region is





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produced by Mexican DTOs; nonetheless, Asian (primarily Vietnamese and, to a lesser extent, Hmong and Laotian) criminal groups in the region have increased their position over the last year with regard to indoor marijuana production.

### METHAMPHETAMINE PRODUCTION

Large-scale methamphetamine production in the CVC HIDTA is increasing. Strong pseudoephedrine import restrictions and law enforcement pressure in Mexico have contributed to a decrease in Mexican methamphetamine production, the primary source of the drug in the Central Valley HIDTA area. Because of the difficulty in obtaining sufficient supplies of pseudoephedrine in Mexico, central and southern California law enforcement and intelligence officials report that some Mexican DTOs are relocating their production operations to California. Intelligence reporting indicates that these DTOs are fueling their relocated production operations with ephedrine and pseudoephedrine acquired through large-scale smurfing operations in southern and central California (see text box). Individuals and Hispanic street gangs in the Central Valley HIDTA region often organize these smurfing operations and then

sell the precursor chemicals to methamphetamine producers. In fact, the HIDTA reports that the methamphetamine laboratories seized in its area are producing methamphetamine with ephedrine and pseudoephedrine acquired primarily through smurfing. Moreover, Fresno Methamphetamine Task Force (FMTF) reporting indicates that its officers have seized gallon-size plastic freezer bags of pseudoephedrine tablets that were collected during smurfing operations based in central and southern California and have encountered similar bags with residue from pseudoephedrine tablets at laboratory dumpsites throughout their jurisdiction.

Law enforcement and intelligence reporting indicates that, unlike in previous years, large-scale methamphetamine producers in the Central Valley HIDTA are using hypophosphorous acid as the primary reagent in their pseudoephedrine reduction operations instead of red phosphorus. Law enforcement and intelligence reporting indicates that hypophosphorous acid (a clear liquid), is easier to smuggle than red phosphorus (a crimson powder), because hypophosphorous acid can easily be mistaken for water or other liquids, and law enforcement pressure on red phosphorus smugglers as well as restrictions on the sale and

### Ephedrine and Pseudoephedrine Smurfing

Ephedrine and pseudoephedrine smurfing is a method used by some methamphetamine traffickers to acquire large quantities of precursor chemicals. Methamphetamine producers purchase the chemicals in quantities at or below legal thresholds from multiple retail locations. Methamphetamine producers often enlist the assistance of several friends or associates in smurfing operations to increase the speed of the operation and the quantity of chemicals acquired. For instance, an October 2007 investigation in Fresno County revealed that a couple conducted daily precursor chemical smurfing operations, soliciting homeless individuals to get into their car and ride from store to store to purchase pseudoephedrine. In exchange, the couple paid each person approximately \$30 and sometimes gave the individuals alcohol. Evidence seized from the couple's vehicle included packages of pseudoephedrine, pharmacy listings torn from an area telephone directory, and several cellular telephones. Furthermore, a smurfing operation infiltrated in Fresno in April 2008 yielded evidence including a handwritten price list, store receipts, pseudoephedrine packaging, paper shredders and blister packs that had been removed from their paper packaging and placed into plastic shopping bags in 24-gram increments for sale to brokers. The price list indicated that each 3.6-gram box of pseudoephedrine-type product was to be sold for no less than \$32. According to FMTF reporting, much of the pseudoephedrine evidence discovered at superlabs and dumpsites in their jurisdiction can be directly traced to smurfing operations, and of those, most are traceable back to smurfing operations based in southern California, particularly San Diego County.

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distribution of red phosphorus have made the chemical difficult to obtain. The increased use of hypophosphorous acid is evidenced by increased seizures of 5-gallon plastic gas cans filled with hypophosphorous acid at superlabs and dumpsites in the region. Most large-scale production operations are located in very rural areas, typically on rented property, particularly farms, for an extended period. The operators produce methamphetamine continuously until they believe the location is no longer secure. To evade law enforcement detection methamphetamine producers typically burn, shred, or bury the waste from their laboratory sites because they are aware that investigators examine material at dumpsites to identify operators and the locations of their laboratories. For example,

in February 2008, agents from the FMTF seized a superlab in Madera, California, that was linked to 30 large dumpsites located throughout the region that had been discovered between August 2007 and February 2008. FMTF agents located specific apparatus and materials at each dumpsite that enabled them to identify multiple suspects and seize the superlab and 370 grams of methamphetamine. The superlab consisted of laboratory equipment and glassware (including a 22-liter reaction vessel), trash bags full of empty tablet blister packs from various pseudoephedrine products, and 50 pounds of pseudoephedrine. The laboratory could have yielded up to 40 pounds of methamphetamine valued at \$800,000.

**Table 1. Methamphetamine Laboratory and Dumpsite Seizures and Cleanup Costs, by HIDTA County, Compared With State, 2006–2008\***

| HIDTA County                             | 2006         |            |                    | 2007         |            |                    | 2008         |           |                    |
|------------------------------------------|--------------|------------|--------------------|--------------|------------|--------------------|--------------|-----------|--------------------|
|                                          | Laboratories | Dumpsites  | Total Cleanup Cost | Laboratories | Dumpsites  | Total Cleanup Cost | Laboratories | Dumpsites | Total Cleanup Cost |
| Fresno                                   | 4            | 26         | \$65,443           | 5            | 31         | \$72,380           | 1            | 7         | \$17,341           |
| Kern                                     | 2            | 0          | \$3,281            | 6            | 2          | \$18,591           | 0            | 1         | \$2,557            |
| Kings                                    | 0            | 1          | \$2,434            | 2            | 1          | \$3,831            | 0            | 0         | \$0                |
| Madera                                   | 0            | 3          | \$7,217            | 1            | 12         | \$26,950           | 1            | 4         | \$17,631           |
| Merced                                   | 10           | 41         | \$100,692          | 2            | 72         | \$162,906          | 4            | 41        | \$139,719          |
| Sacramento                               | 10           | 3          | \$25,609           | 6            | 0          | \$12,024           | 3            | 1         | \$10,297           |
| San Joaquin                              | 21           | 10         | \$65,146           | 8            | 6          | \$21,961           | 5            | 4         | \$20,551           |
| Stanislaus                               | 10           | 75         | \$166,602          | 5            | 22         | \$53,645           | 4            | 19        | \$43,067           |
| Tulare                                   | 8            | 9          | \$34,575           | 2            | 5          | \$12,014           | 0            | 3         | \$5,934            |
| <b>HIDTA Total</b>                       | <b>65</b>    | <b>168</b> | <b>\$470,999</b>   | <b>37</b>    | <b>151</b> | <b>\$384,302</b>   | <b>18</b>    | <b>80</b> | <b>\$257,097</b>   |
| Average cost per laboratory and dumpsite |              |            | \$2,021            |              |            | \$2,044            |              |           | \$2,623            |
| <b>California Total</b>                  | <b>250</b>   | <b>227</b> | <b>\$1,011,129</b> | <b>160</b>   | <b>192</b> | <b>\$845,340</b>   | <b>75</b>    | <b>88</b> | <b>\$458,721</b>   |
| HIDTA Percentage of State                | 26%          | 74%        | 47%                | 23%          | 79%        | 45%                | 24%          | 91%       | 56%                |

Source: California Department of Toxic Substance Control.

\*Through June 6, 2008.



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According to the California Department of Toxic Substances Control, methamphetamine laboratory cleanup costs in the CVC HIDTA counties reached \$384,302, accounting for approximately 45 percent of the \$845,340 spent by the state of California to remediate methamphetamine laboratories and dumpsites in 2007. By June 2008 the number of laboratories and dumpsites seized in the CVC HIDTA had reached 18 and 80 respectively, with cleanup costs totaling \$257,097—a pace that would exceed cleanup costs in 2007. (See Table 1 on page 5.)

### MARIJUANA PRODUCTION

Indoor and outdoor cannabis cultivation is prevalent and increasing throughout the CVC HIDTA region. According to law enforcement officials, Mexican DTOs are the leading growers of outdoor cannabis, and represent the primary organizational threat with regard to marijuana in the region. Asian organizations also maintain some outdoor marijuana grow sites in the region but on a much smaller scale than Mexican DTOs. Law enforcement reporting indicates that indoor cannabis cultivation in the region has increased significantly over the past year primarily because of increased cultivation by Canada-based Asian DTOs. Additionally, law enforcement and intelligence reporting indicates an increase in local Caucasian growers relocating their cannabis grow operations indoors to avoid intensified outdoor eradication efforts and reap higher profits through year-round production of indoor-grown, high-potency marijuana.

According to Central Valley Marijuana Investigative Team (CVMIT) reporting, Mexican DTOs cultivate cannabis in the Central Valley HIDTA region primarily in remote areas of public lands, at sites that average between 5,000 and 7,000 cannabis plants. In 2007, law enforcement officials in the Central Valley HIDTA reported that outdoor cannabis cultivators, primarily Mexican DTOs, were changing their cultivation process from one crop to two crops with shortened growing cycles per year. Cultivators achieve two crops by planting specific strains of cannabis that mature faster

### Indoor Grow Sites

Indoor cannabis cultivation sites range in size from a single closet to entire houses or buildings that are converted into complex grow operations. Indoor cannabis cultivators frequently use advanced growing techniques like plant cloning and automated light metering, irrigation, fertilization, and insecticides to enhance plant growth rates. According to the CVMIT, the controlled environment of indoor grows also affords growers the potential for a year-round cultivation season, producing a new marijuana crop every 90 days.

or by planting seedlings earlier in the spring. For example, some cultivators are planting cannabis that buds earlier than most varieties and matures as early as June. Cannabis that is cultivated in the spring is harvested in early July and the plot is replanted, allowing for an additional harvest in September or October. Furthermore, law enforcement officials report that cultivators are harvesting as many plants as practical, including marginally mature plants, immediately prior to the height of the eradication season or before eradication efforts move into the area, in order to avoid the risk of eradication for an entire crop. Additionally, cultivators increasingly are hiding their plots by planting the cannabis among indigenous plants, such as manzanita,<sup>2</sup> to avoid aerial detection.

Over the past year, Asian DTOs and criminal groups in the Central Valley HIDTA region have increased their indoor cannabis cultivation operations, and many of these groups are linked to other Asian groups operating in the West Central and Southeast Regions. Recent law enforcement reporting indicates that these groups often operate several sites throughout the region, working in coordination with associates in cities within and outside the region to facilitate growing operations. Law enforcement investigations in the region in 2007 revealed that many of these organizations

2. Manzanita is the name for Western North American shrubs or small trees having leathery leaves and clusters of white to pink flowers.

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were linked to organizations operating in other regions of the country, including the Southwest, Pacific, West Central, and Florida/Caribbean Regions.

While most cannabis cultivation by Asian traffickers occurs indoors, some Asian criminal groups, primarily Hmong criminal groups, cultivate cannabis outdoors in the region, typically in agricultural areas. These groups employ individuals who work in the local agricultural industry

to cultivate the plants on behalf of the criminal group. Asian criminal groups' cannabis grows are often interspersed among legitimate crops like bitter melon, strawberries, and grapes; because the cannabis plants are spread among the other foliage they are difficult to differentiate from the legitimate crops.

In 2007, the Domestic Cannabis Eradication/Suppression Program (DCE/SP) reported the eradication of 776,218 cannabis plants in the CVC

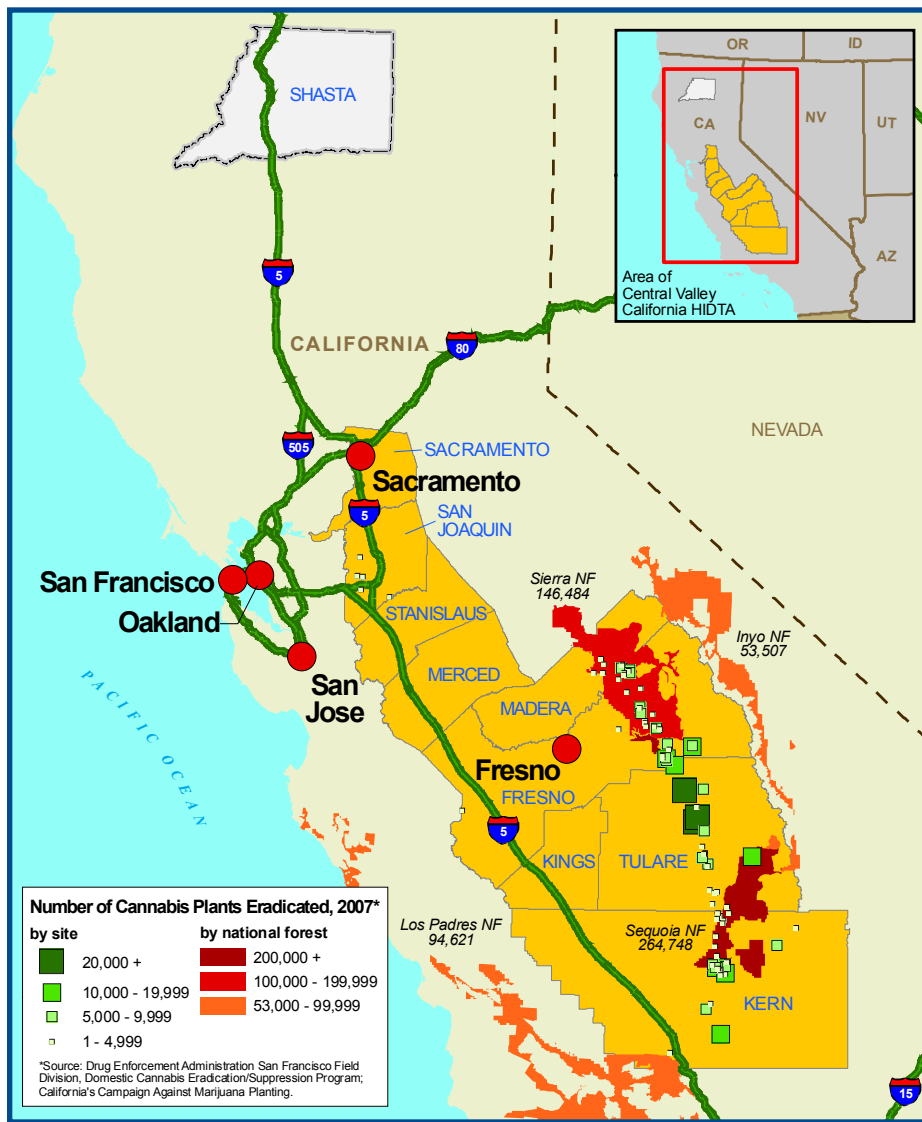


Figure 2. Central Valley California HIDTA cannabis eradication sites.  
Source: Domestic Cannabis Eradication/Suppression Program, 2007.



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HIDTA, accounting for 16 percent of all cannabis plants seized in California, and a sharp increase from 251,841 plants seized in the region in 2006. Most (85%) of the cannabis plants seized by DCE/SP in the Central Valley HIDTA were eradicated from grow sites located in Tulare (330,986), Fresno (184,063), and Kern (147,584) Counties. (See Figure 2 on page 7.)

Crack distributors throughout the Central Valley HIDTA region frequently convert powder cocaine to crack; however, crack conversion is a much lower concern to law enforcement and drug treatment providers in the region compared with the threat posed by methamphetamine and marijuana.

### TRANSPORTATION

Mexican DTOs based in the Central Valley HIDTA region conduct regional- and national-level transshipment and distribution of illicit drugs from the region, supplying drug distributors in every region of the country. These organizations regularly transport wholesale quantities of ice methamphetamine, cocaine, marijuana, and black tar heroin into the area from source areas in Mexico, primarily using I-5, in private and commercial vehicles. Although a large portion of these drugs remain in the area for local distribution, many of the drug shipments from Mexico—as well as methamphetamine and marijuana produced within the HIDTA—are transported in private and commercial vehicles to drug markets in Great Lakes, Mid-Atlantic, New York, New Jersey, Southeast, Southwest, and West Central Regions of the country.

### DISTRIBUTION

Significant quantities of methamphetamine, cocaine, black tar heroin, and marijuana are distributed from the Central Valley HIDTA. Mexican DTOs and criminal groups control most drug distribution from the area, supplying drug distributors in markets in every region of the country.

Unlike in previous years, law enforcement officials throughout the Central Valley HIDTA region report that while methamphetamine is still widely available, it takes longer for dealers to procure multipound quantities of the drug. Dealers commonly tell undercover officers that they will need extra time to procure quantities because they are dealing with multiple suppliers rather than a single source. Moreover, law enforcement agencies, including the Fresno and Modesto Police Departments and the Sacramento Sheriff's Office, report that because of the high cost of methamphetamine in the region (\$19,000 to \$21,000 per pound), wholesale undercover buys of methamphetamine are often cost-prohibitive and occur less frequently than in previous years.

Constantly changing factors that contribute to the strength of drug distribution groups, such as access to weapons and consistent drug supplies, have prevented any single group or gang from dominating midlevel or retail drug distribution in the Central Valley HIDTA for an extended period. Rather, midlevel and retail drug sales are carried out by numerous groups and individuals, in a variety of locations. These groups often sell multiple drugs or shift from one drug type to another as availability, demand, and sources of supply fluctuate. For example, according to the Fresno Police Department, over the past year, an increasing number of crack dealers have begun distributing methamphetamine because of higher profits associated with methamphetamine distribution.

Criminal groups and independent dealers that distribute drugs at the retail level vary greatly in their preferred distribution points, the types of buyers that they will sell to, and their methods of communication. Drug sales in metropolitan areas often occur in open-air markets (located on streets and in parking lots) as well as in clubs and bars; distributors sell to both new, unfamiliar customers as well as to well-known, repeat customers. Drug sales in rural areas usually occur at prearranged locations and typically are conducted between a dealer and known or referred customers. Law enforcement reporting indicates that distributors use

cell phones, satellite phones, pagers, and other personal communication devices to communicate with sources and customers. Distributors also often use text messages that consist of code words that allow them to communicate with reduced risk of detection.

## DRUG-RELATED CRIME

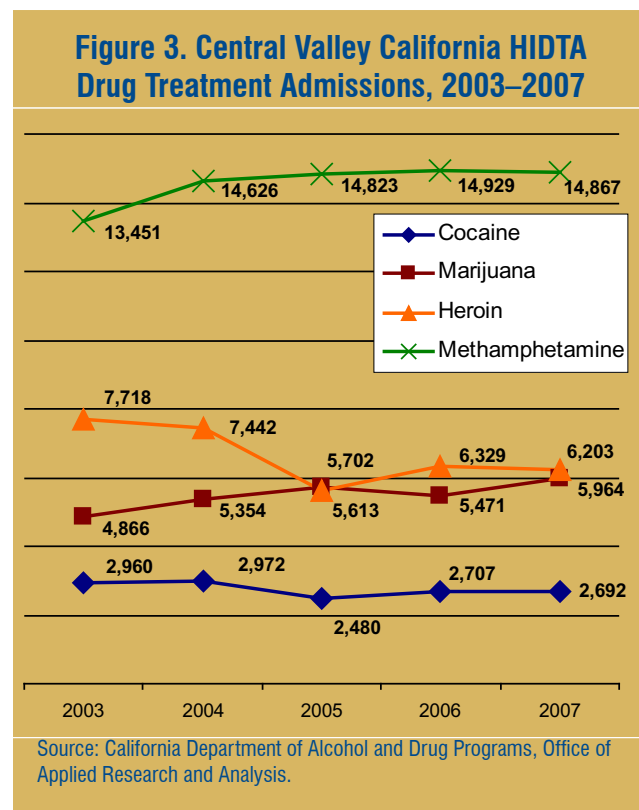
High levels of violent and property crime in the Central Valley HIDTA often are associated with the distribution and abuse of illicit drugs, particularly methamphetamine. In fact, 20 of the 24 state and local law enforcement agencies that responded to the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2007 reported that methamphetamine was the drug that most contributes to property crime and violent crime in their areas. Most methamphetamine-related property crime, such as burglary, identity theft, and property theft, is committed by methamphetamine abusers. Most methamphetamine-related violent crime, including armed robbery, assault, and homicide, is perpetrated by members of DTOs, criminal groups, and street gangs in the course of their drug trafficking operations.

Protection of cannabis plots is a significant concern in the CVC HIDTA because of the violence that often is associated with plot tenders guarding their grow sites. The methods that cultivators use to protect outdoor cannabis grow sites vary; however, according to law enforcement officials, the use of armed guards is most common among Mexican DTOs. Law enforcement and intelligence sources report that the presence of armed individuals guarding Mexican DTO-operated grow sites in the HIDTA region and confrontations—including shootings—between armed guards and law enforcement officers have increased since 2003. According to the CVMIT, over the past year grow site workers have begun to camp near the grow site rather than directly at the site. Typically, these offsite locations are located in a position that allows the tenders, who also provide armed security for the site, a clear view of the approaches to the site. Furthermore, camping

at offsite locations enables growers a rapid egress if law enforcement officials are approaching the area. Reporting from the CVMIT further indicates that most workers at Mexican-operated grow sites in the region are illegal immigrants who originate or are recruited from Mexico, particularly the state of Michoacán.

## ABUSE

Strong and long-established drug markets in the Central Valley HIDTA region contribute to high levels of drug abuse. Of particular concern is the level of methamphetamine abuse in the region, which greatly surpasses that for all other drugs of abuse, despite the wide availability of many other illicit drugs. California Alcohol and Drug Data System (CADDSS) 2008 data show that methamphetamine accounts for the majority of drug treatment admissions in the counties that compose the Central Valley HIDTA, followed by heroin, marijuana, and cocaine/crack. (See Figure 3.)





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### ILLICIT FINANCE

Mexican DTOs use bulk cash smuggling as their primary means of returning drug proceeds generated in the Central Valley HIDTA to source areas in Mexico. Mexican DTOs regularly transport proceeds from wholesale drug transactions in other regions of the United States to the HIDTA region, where they often are combined with proceeds generated from wholesale transactions in the region. The bulk cash is then transported back to Mexico for repatriation.<sup>3</sup> Asian DTOs also consolidate drug proceeds in the region, which are then transported in bulk or by wire to Canada or Asia.

### OUTLOOK

There currently is no evidence to suggest that the Central Valley HIDTA region will diminish as a regional- and national-level distribution center for drugs produced in the area (ice methamphetamine and high-potency marijuana) and for drugs smuggled into the area from Mexico by Mexican DTOs (ice methamphetamine, marijuana, cocaine, and black tar heroin). The various DTOs operating in the area are well-entrenched and have operated large-scale distribution operations from the area for many years.

Over the next year the production and distribution of indoor marijuana in the Central Valley HIDTA region will most likely increase. Increased indoor cultivation will most likely be fueled by the growing number of Asian DTO indoor cultivators relocating from Canada to the HIDTA region. Increased indoor cultivation also will be supported by a greater number of local marijuana

producers moving their operations indoors to avoid intensified outdoor eradication efforts and to gain higher profits through year-round production of indoor-grown, high-potency marijuana.

Local Caucasian groups will most likely increase their exploitation of medical marijuana laws. Law enforcement and intelligence reporting indicates the emergence of organized local Caucasian groups who collaborate with attorneys to establish cannabis cultivation sites considered legal under state medical marijuana laws. However, many of these groups subsequently exceed the cultivation and possession limits and cultivate cannabis for personal use and illicit distribution.

Over the next year there will very likely be a significant increase in the number of cannabis plants eradicated in the HIDTA because of the recent designation of Shasta County as a HIDTA county. Shasta County is one of the largest marijuana-producing counties in the United States.

3. Each year Mexican and Colombian drug traffickers operating in the United States bulk-smuggle billions of U.S. dollars into Mexico. The return of these dollars to their country of origin (the United States)—known as repatriation—is often an important part of the money laundering process for these traffickers. Repatriation of these funds is beneficial to Mexican and Colombian traffickers because it simplifies the placement of funds into the U.S. financial system.

## SOURCES

### Local, State, and Regional

Delano Police Department  
 Narcotics Division  
 Gangs Unit

Fresno Area Surveillance Team

Fresno County Department of Behavioral Health

Fresno County Sheriff's Office

Fresno Police Department  
 Special Investigations Department

Kern County Sheriff's Department  
 Gang Unit  
 Major Narcotics

Kings County Gang Task Force

Modesto Police Department

Multi-Agency Gang Enforcement Consortium

Sacramento Police Department

Sacramento County Sheriff's Office  
 Violence Suppression and Narcotics Investigations Division  
 Multi-Jurisdictional Methamphetamine Enforcement Team

Stanislaus County Sheriff's Office  
 Stanislaus Drug Enforcement Agency

State of California  
 Campaign Against Marijuana Planting  
 Criminal Intelligence Bureau  
 Department of Alcohol and Drug Programs  
 Office of Applied Research and Analysis  
 Department of Justice  
 California Bureau of Narcotics Enforcement  
 Central Valley Marijuana Investigative Team  
 Department of Public Health  
 California Alcohol and Drug Data System  
 Department of Toxic Substances Control  
 National Guard  
 Drug Demand Reduction Group  
 Office of the Attorney General  
 Secretary of State

### Federal

Executive Office of the President  
 Office of National Drug Control Policy  
 High Intensity Drug Trafficking Area  
 Central Valley California  
 Fresno Methamphetamine Task Force  
 Investigative Support Center  
 Sacramento Area Intelligence Narcotic Task Force  
 Southern Tri-County Central Valley California HIDTA Task Force  
 Stanislaus, San Joaquin, Merced Task Force





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Office of Applied Studies

U.S. Department of Homeland Security  
Border and Transportation Security Directorate  
U.S. Customs and Border Protection

U.S. Department of Justice  
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