



New York/New Jersey

High Intensity Drug Trafficking Area

Drug Market Analysis 2009



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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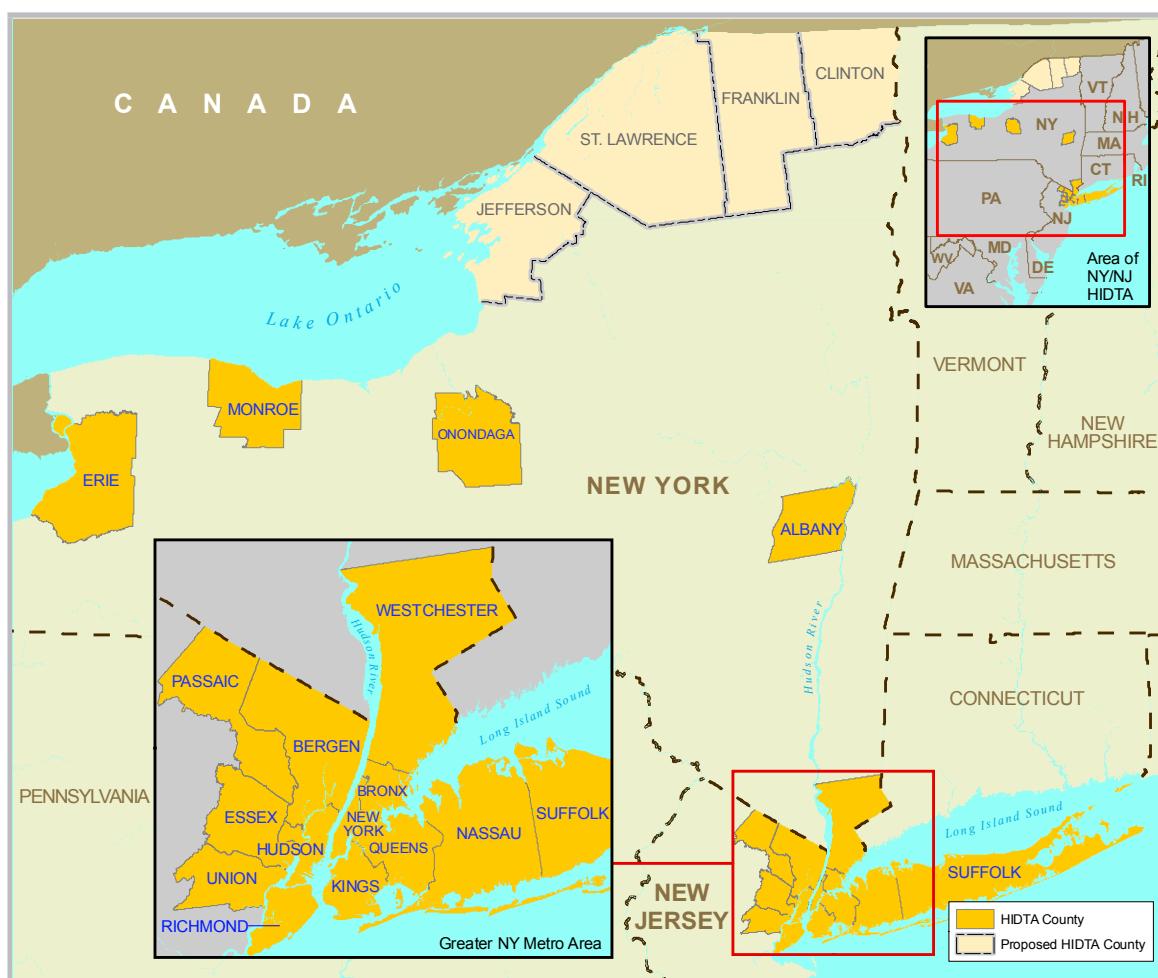
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Preface

This assessment provides a strategic overview of the illicit drug situation in the New York/New Jersey (NY/NJ) 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 NY/NJ HIDTA.

Figure 1. New York/New Jersey High Intensity Drug Trafficking Area



Strategic Drug Threat Developments

- Cocaine availability in the NY/NJ HIDTA region fluctuated during the past 2 years. The region experienced a significant decline in cocaine availability during the first half of 2007 before returning to previous levels during the second half of 2007. Cocaine availability declined again in the first quarter of 2008 and remained lower through the end of 2008.
- Heroin availability and abuse are increasing in Upstate New York. Law enforcement officials in Albany, Erie, Monroe, and Onondaga Counties report that some cocaine distributors in their areas are now distributing heroin to new and existing heroin abusers.
- Mexican drug trafficking organizations (DTOs) are increasingly transporting larger quantities of Mexican methamphetamine to parts of the region, particularly New Jersey, using their established transportation networks.

HIDTA Overview

The NY/NJ HIDTA region encompasses 17 counties located throughout New York and northeastern New Jersey. The New York portion of the region consists of the five boroughs of New York City (Brooklyn, the Bronx, Manhattan, Queens, and Staten Island), the outer two counties of Long Island (Nassau and Suffolk), Westchester County (just north of New York City), and four counties in Upstate¹ New York that were added to the HIDTA region in 2007

(Albany, Erie, Monroe, and Onondaga²). (See Appendix B for a discussion of these counties.)

The New Jersey portion consists of Bergen, Essex, Hudson, Passaic, and Union Counties. A further expansion of the NY/NJ HIDTA to include the northern border counties of Clinton, Franklin, Jefferson, and St. Lawrence is expected to be approved in 2009. These four counties are primarily rural and sparsely populated; they have numerous roads, trails, and waterways that are unattended, facilitating smugglers' efforts to transport illicit drugs across the U.S.–Canada border. Further, the St. Regis Mohawk (Akwasasne) Reservation, which is located in Franklin County and straddles the U.S.–Canada border, is a significant drug transportation corridor for MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) and high-potency Canadian marijuana.

The NY/NJ HIDTA region is the most ethnically diverse urban area in the United States, a factor that enables many foreign-born criminals to easily assimilate within ethnic communities and mask their operations throughout the area.³ Individuals from over 100 countries reside in the New York metropolitan area; almost 2 million of the approximately 8 million New York City residents are foreign-born. Significant numbers of people from drug source and transit countries reside in various parts of the HIDTA region. For instance, the Jackson Heights section of Queens contains the largest Colombian community outside Colombia, and the Washington Heights section of Upper Manhattan—the center of drug activity in the city—is home to a large concentration of Dominican-born residents.

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2. These counties were added to the HIDTA region because of their emerging role as key distribution centers for illicit drugs originating in New York City and because of the increasing presence of New York City-based drug trafficking organizations (DTOs) in the counties.
 3. According to the U.S. Census Bureau, the 2007 estimated population of the New York metropolitan area is 45 percent Caucasian, 27 percent African American, 27 percent Hispanic, 10 percent Asian and Pacific Islander, and less than 1 percent Native American, Eskimo, or Aleut.

The NY/NJ HIDTA region has a well-developed transportation infrastructure (including interstate highways, international airports, a seaport, and passenger rail and bus services) that is ideally suited for the movement of illicit drugs and drug proceeds to and from the region. Interstate 95, the major north-south route on the East Coast, is most frequently used by traffickers to transport illicit drugs to and from New York City. Drug shipments arriving in the NY/NJ HIDTA region typically are divided into smaller quantities for local distribution within the region and transportation to other areas throughout and outside the region. Drugs supplied to Upstate New York are typically transported by traffickers along I-87 and I-90. Illicit drugs also are transported overland to the region from the West Coast, Southwest Border states, and Canada. John F. Kennedy (JFK) International, LaGuardia, and Newark Liberty International Airports offer numerous flights daily to and from the region, and drug traffickers often exploit them to facilitate drug transportation. The Port of New York/New Jersey is the largest container port complex on the East Coast of North America and provides opportunities for maritime smuggling. Additionally, New York has an extensive intercity passenger rail system that enables drug traffickers to freely move throughout the city to supply drug markets.

Drug Threat Overview

The NY/NJ HIDTA region is a national distribution center for illicit drugs, primarily cocaine, heroin, and marijuana. Multikilogram to metric ton quantities of these drugs are transported to the region from drug source and transit countries such as Canada, Colombia, the Dominican Republic, and Mexico as well as from domestic locations such as Florida, Georgia, Puerto Rico, and the Southwest Border area. Wholesale quantities of illicit drugs that enter the region are typically divided into smaller quantities for

further distribution within the region or in drug markets throughout the Northeast, Southeast, and Midwest.

Cocaine and heroin pose the most significant drug threats to the NY/NJ HIDTA region. Cocaine is the greatest drug threat in the New York section of the HIDTA region; heroin is the greatest threat in the New Jersey section and, more recently, in the Upstate New York counties of the HIDTA region.

Powder cocaine is frequently abused throughout the NY/NJ HIDTA region; crack cocaine distribution poses an increasing threat to New York City, particularly as a result of the involvement of several violent street gangs in the drug's distribution. Cocaine availability at the wholesale level in the NY/NJ region fluctuated in 2008, most likely a result of successful law enforcement efforts against prominent Mexican DTOs, violent conflicts in Mexico among competing Mexican DTOs, increased competition from non-U.S. markets, and large seizures of cocaine. Cocaine generally was readily available at the retail level. Some law enforcement officials in the NY/NJ HIDTA region report that availability did not actually decline, but that some suppliers were manipulating supply to drive up prices. Reporting from NY/NJ HIDTA Initiatives indicates that approximately 4,135 kilograms of powder cocaine and 63 kilograms of crack cocaine were seized in 2008. ([See Table 1 on page 4.](#))

Heroin is frequently abused in the region, and its abuse has spread to new and younger populations. Distributors in New Jersey are targeting customers in smaller towns and rural areas to gain market share. The purity of South American (SA) heroin, the predominant type available in the region, is relatively high but has been gradually decreasing over the past several years. Declining heroin purity has contributed to local abusers injecting larger heroin doses or injecting more frequently. Heroin availability has

increased in Upstate New York, which has led to a corresponding increase in the number of urban and suburban youths from outlying rural counties traveling to Albany, Erie, Monroe, and Onondaga Counties to obtain the drug for personal use. The number of heroin-related treatment admissions to publicly funded facilities in the region far exceeds that of any other drug, and heroin milling⁴ is increasing in the HIDTA region.

Other illegal drugs pose a serious threat to the NY/NJ HIDTA region. Marijuana is the most commonly abused drug in the region. High-potency Canadian and locally produced marijuana are increasing in availability throughout the region in large part because of an increasing demand for high-potency marijuana among young people and college students. Crystal methamphetamine⁵ poses a lesser, yet increasing, threat to the HIDTA region; abusers often use Internet bulletin boards and community forums to find and communicate with sources of supply. Controlled prescription drug (CPD) abuse is rising in the NY/NJ HIDTA region, particularly among teens and young adults. MDMA is readily available in the region, primarily through Canada-based Asian sources of supply. Other dangerous drugs (ODDs), such as ketamine and PCP (phencyclidine), pose a relatively low overall threat compared with most other available drugs; however, some law enforcement sources report that ketamine has become a drug of choice in a number of communities in New York. In October 2008, U.S. Customs and Border Protection (CBP) officials arrested a Brooklyn man and seized 42 bottles of liquid ketamine at the Lewiston-Queenston Bridge border crossing in Lewiston, New York. The man claimed to be transporting 100 bottles

4. Milling refers to the repackaging of heroin into retail quantities.
5. Law enforcement and treatment authorities in the NY/NJ HIDTA region use the term crystal methamphetamine to refer to both powder methamphetamine that has been recrystallized and high-purity ice methamphetamine. Recrystallized powder is the form most commonly found in the NY/NJ HIDTA region.

Table 1. Drug Seizures From New York/New Jersey HIDTA Initiatives, in Kilograms, 2008

Heroin	170.1
Cocaine	4,135.1
Crack Cocaine	62.5
Marijuana	1,756.8
Methamphetamine	65.2
MDMA (du)	3,180.0

Source: New York/New Jersey High Intensity Drug Trafficking Area.

of “holy water.” Forty-two of the 100 bottles tested positive for ketamine.

Drug Trafficking Organizations

Colombian DTOs dominate drug trafficking in the NY/NJ HIDTA region; they regularly obtain multihundred-kilogram quantities of cocaine, SA heroin, and marijuana from sources of supply in Colombia, Mexico, and the Dominican Republic for distribution in and outside the area. They often contract with Dominican and Mexican DTOs to transport these drugs from Southwest Border areas to stash locations in outlying suburban communities, including Westchester County and Long Island, New York.

Dominican DTOs, either under contract to Colombian DTOs or acting independently, transport and distribute cocaine and SA heroin in the HIDTA region. They routinely smuggle illicit drugs into and through the region by private and commercial vehicles; however, Dominican DTOs also smuggle cocaine aboard maritime vessels from South America and the Caribbean, and they smuggle heroin using couriers on commercial aircraft that fly into major airports within the region. Heroin couriers typically conceal the drug underneath clothing, or they ingest the drug in “pellets” after packaging it in rubber items such as condoms, the fingers of surgical gloves, or balloons. A

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.

typical “swallower” can ingest between 40 and 95 pellets, each weighing between 7 and 10 grams. Additionally, couriers working for Dominican traffickers occasionally smuggle cocaine and heroin into Miami International Airport and then transport the drugs to the NY/NJ HIDTA region in private and commercial vehicles. Dominican organizations are based primarily in the Washington Heights section of Upper Manhattan and serve as midlevel cocaine and heroin distributors to lower-level distributors, principally smaller Dominican criminal groups and street gangs—such as Trinitarios. Additionally, some Dominican DTOs also deliver cocaine and heroin to their regular customers in Upstate New York.

Mexican DTOs are expanding their drug trafficking operations in the HIDTA region. They routinely transport significant quantities of SA heroin, cocaine, and marijuana to the area from Mexico and southwestern states on behalf of Colombian DTOs and occasionally transport marijuana to the region from southwestern states for Jamaican criminal organizations. Mexican

DTOs also are increasingly distributing wholesale quantities of cocaine, heroin, and marijuana in the region, particularly to Dominican DTOs in the New York metropolitan area and Upstate New York. Mexican DTOs are increasingly transporting multipound quantities of Mexican methamphetamine throughout the region, particularly New Jersey, using established transportation networks; they also serve as the principal wholesale methamphetamine distributors in the region.

Asian DTOs operating between Canada and the United States pose a major threat to the region. Asian DTOs, primarily Chinese and Vietnamese groups based in Canada, have emerged as significant producers, transporters, and distributors of large quantities of Canadian MDMA and high-potency marijuana in the region. Ethnic Chinese DTOs, primarily Fukinese⁶ groups, smuggle Southeast Asian (SEA) heroin into the region in containerized cargo on maritime conveyances and by couriers aboard commercial aircraft. Asian DTOs typically supply illicit drugs to Asian street gangs in the region who, in turn, distribute them at the retail level.⁷ Additionally, law enforcement reporting indicates that Asian DTOs are attempting to generate a wider customer base in the area.

Jamaican DTOs distribute marijuana in the New York metropolitan area. They obtain marijuana supplies from Mexican distributors, either locally or in southwestern drug markets. Additionally, some Jamaican DTOs transport multiton quantities of marijuana to the region from Jamaica aboard maritime conveyances. Jamaican DTOs dominate marijuana distribution in sections of Manhattan and the Bronx, most of Queens (particularly the Jamaican section of

6. The term Fukinese refers to individuals from the Fujian province of southeastern China.

7. Many of these gangs have realigned themselves with the Fukinese organizations and have adopted names such as “Fuk Ching Flying Dragons,” “Fuk Ching Ghost Shadows,” and “Fuk Ching Green Dragons.”

southwestern Queens), northern Brooklyn (particularly Bedford, Bushwick, East Flatbush, East New York, and Williamsburg), and sections of northern New Jersey.

Drug distribution is the primary source of income for street gangs in the NY/NJ HIDTA region. Street gangs, including Bloods, Crips, Dominicans Don't Play (DDP), Folk Nation, Latin Kings, Mara Salvatrucha (MS 13), Ñetas, and Trinitarios, are serving an increasing role in retail-level drug distribution throughout the region. Gang members predominantly sell crack cocaine; however, many sell more than one type of drug. Many New York City-based gangs, recognizing the potential for increased profits, now supply drugs to distributors in Upstate New York and northern New Jersey. Increasing gang-related drug distribution in the region has resulted in a corresponding increase in gang-related violence.

Numerous other DTOs and criminal groups operate within the NY/NJ HIDTA region ([see Appendix C on page 21.](#)) Afghani, Pakistani, and Nigerian and other West African DTOs smuggle Southwest Asian (SWA) heroin into and through the region. Italian organized crime (IOC) members have become more involved with hydroponic marijuana production in and around New York City and are also involved in marijuana, heroin, cocaine, and MDMA distribution in the region. Additionally, Puerto Rican DTOs and criminal groups are involved in cocaine and marijuana smuggling and distribution.

Production

Illicit drug production in the HIDTA region largely consists of crack conversion, heroin milling, and cannabis cultivation. Crack cocaine conversion and heroin milling take place primarily in urban parts of the region, typically near distribution areas. Indoor cannabis cultivation generally takes place in apartments and private residences; outdoor cannabis grow sites are not common in

the NY/NJ HIDTA region. Limited amounts of methamphetamine are produced in the region, usually in rural areas.

Powder cocaine is often converted to crack near distribution areas in which the drug will be sold. African American, Dominican, and Jamaican distributors in New York City generally convert small batches of the drug for local retail distribution. However, according to law enforcement officials in Upstate New York, approximately half of the crack cocaine sold there is transported to the area from New York City.

Heroin is often milled in the New York City metropolitan area. Heroin mills are typically located in residential areas of the Bronx, Harlem, and Westchester County. Heroin mills are a potential vulnerability for trafficking organizations because personnel with knowledge of trafficking operations are often at these sites, along with substantive evidence (ledgers, phone records, etc.) and substantial quantities of heroin. For instance, in June 2008, law enforcement officers served a search warrant on a Bronx apartment used to store, mill, and package heroin. During the execution of the warrant, 12 members of a heroin distribution organization were present and arrested on narcotics trafficking charges. One individual died and two others were injured when they tried to evade law enforcement by jumping from the balcony of the ninth floor apartment. Law enforcement officers seized several kilograms of heroin and paraphernalia used to cut and package the heroin, including digital scales, strainers, grinders, and glassine envelopes.

Some distributors in the region stamp heroin bags with a unique identifier to advertise their product and establish brand loyalty. In August 2008, Drug Enforcement Administration (DEA) agents and New Jersey state and local police arrested an Irvington, New Jersey, man on charges of misuse of official government insignia and possession of nearly 1 kilogram of heroin; the packaged heroin had been stamped with the DEA emblem.

Indoor cannabis cultivation is increasing in the HIDTA region. Marijuana trafficking groups typically purchase residences throughout the area to use in hydroponic grow operations. They often gut the houses so that all available space can be used for cannabis cultivation. Grow site operators also generally bypass utility meters to avoid detection through high utility usage. According to law enforcement officials, low-level members of IOC families produce hydroponic marijuana on Long Island and in Howard Beach in southwestern Queens. They are attracted to marijuana production because of the drug's large profit margin.

Methamphetamine production is very limited in the NY/NJ HIDTA region. The metropolitan nature of the New York City area makes the concealment of laboratories there difficult. According to National Seizure System data, 14 methamphetamine laboratories were seized in NY/NJ HIDTA counties in 2006, and only 1 laboratory was seized in 2007. No methamphetamine laboratories were seized in the HIDTA counties in 2008. Most of the methamphetamine available in the region is produced by Mexican DTOs in superlabs⁸ in Mexico or on the West Coast. These DTOs often obtain ton quantities of precursor chemicals, such as pseudoephedrine, from international sources. For instance, in August 2008, law enforcement officials in Newark, New Jersey, seized over 2,000 pounds of pseudoephedrine from a shipping container at the Port of Newark. The chemicals were shipped by a company in India and destined for Mexico.

Transportation

Traffickers transport illicit drugs into, throughout, and from the NY/NJ HIDTA region using various modes of transportation. Traffickers primarily transport illicit drugs along the six major

interstate highways⁹ and 10 secondary interstates¹⁰ that service the region (see Figure 2 on page 8). Some drug traffickers use indirect routes, such as state routes and back roads, to transport drugs to and through the HIDTA region, largely in an attempt to avoid law enforcement apprehension. Interstate 95, a key overland route along the East Coast, connects the NY/NJ HIDTA region to areas in which over a quarter of the U.S. population resides. Additionally, 10 major airports and 10 major seaports are located along the East Coast and are easily accessible from I-95. Three international airports—JFK, Newark Liberty, and LaGuardia—are extensively used by traffickers to smuggle illicit drugs, particularly SA heroin, into the region. One airline recently added a daily nonstop flight between Lagos, Nigeria, and JFK International Airport, creating a possible avenue for traffickers to smuggle heroin directly from Nigeria to the New York area. Traffickers also use the Buffalo Niagara International Airport and Albany International Airport to transport drugs into Upstate New York drug markets. The Port of New York/New Jersey is the largest container port complex on the East Coast. In 2007¹¹ the port handled more than \$166 billion worth of international cargo—more than ever before—from over 150 countries. Law enforcement reporting reveals that traffickers periodically smuggle illicit drugs into the region by maritime conveyances destined for the port. Four major land ports of entry (POEs) are located on the U.S.–Canada border, each accessible through Erie County.¹² Traffickers routinely take advantage of overland POEs to smuggle drugs into the region from Canada. Additionally, Amtrak passenger rail service, commuter rail services, the largest subway system in the world, and an extensive network of

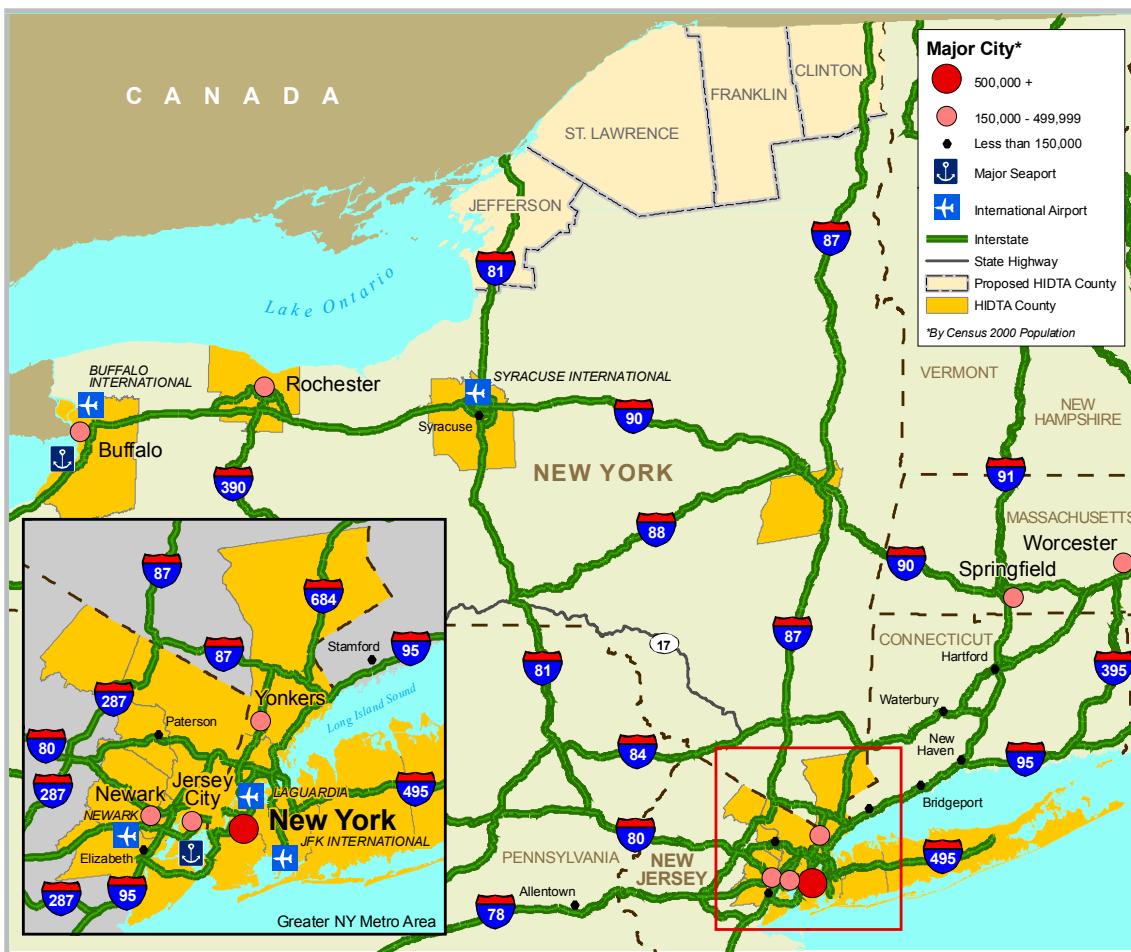
9. Interstates 78, 80, 81, 87, 90, and 95.

10. Interstates 190, 278, 280, 287, 295, 390, 495, 684, 878, and 895.

11. The latest year for which such data are available.

12. These ports of entry (POEs) are the Lewiston-Queenston Bridge and the Peace Bridge (private vehicles and commercial truck traffic), the Whirlpool Bridge, and the Rainbow Bridge (private vehicles only).

8. Superlabs are laboratories in which 10 or more pounds of methamphetamine can be produced in a single cycle.

Figure 2. New York/New Jersey HIDTA Region Transportation Infrastructure

buses and taxis provide traffickers with numerous transportation options to and within the area. Recent law enforcement reporting indicates that traffickers are now transporting heroin from California to New York using trains and buses.

Colombian, Dominican, and Mexican DTOs are the primary transporters of illicit drugs in the region. Colombian, Dominican, and Mexican DTOs sometimes contract with each other to transport drugs overland from the Southwest Border; they also contract with Caribbean transportation groups to smuggle drugs on maritime conveyances from South America to Florida, then onward to the HIDTA region by private and commercial vehicles and commercial aircraft. Colombian and

Dominican DTOs also transport drugs by using couriers on commercial aircraft flying directly to the region's major airports or secreting the drugs among containerized cargo shipped into the Port of New York/New Jersey. Mexican DTOs transport drugs primarily overland from the Southwest Border, or they obtain drug supplies from other Mexican DTOs based in Atlanta, Georgia.

Shipments of cocaine and heroin transported to the NY/NJ HIDTA region are either stored by traffickers in suburban residences outside New York City or are further transported to distributors in Upstate New York. Colombian and Dominican DTOs use drugs stored in stash locations outside New York City to supply the city's midlevel

Heroin Trafficking and Terrorism

In September 2008, Bashir Noorzai, a former Mujahideen warlord and a strong supporter of the Taliban, was convicted in federal court in the Southern District of New York for conspiring to import and distribute heroin in the United States. Noorzai owned opium fields in Kandahar, Afghanistan, and laboratories in Afghanistan's border regions where the opium was processed into heroin, some of which was eventually smuggled into the United States. Noorzai provided the Taliban with weapons, vehicles, and a portion of the illicit proceeds from his heroin trade in exchange for permission to continue his drug trafficking activities with impunity. Prior to his arrest, Noorzai had been designated to the Consolidated Priority Organization Target (CPOT) list.*

Source: Drug Enforcement Administration.

*The Consolidated Priority Organization Target (CPOT) list is compiled by the U.S. Attorney General and contains the names of the most-wanted international drug supply organizations.

and retail-level dealers; they typically retrieve small amounts of drugs that they can distribute quickly, thereby minimizing the risk of having large quantities of drugs seized by law enforcement. Some New York City-based traffickers also supply drugs to distributors in upstate markets, delivering the drugs directly to regular customers in Albany, Buffalo, Rochester, and Syracuse; however, couriers, usually female, and some upstate dealers travel to New York City to obtain drug supplies. Additionally, some upstate distributors bypass New York City suppliers entirely by arranging for the transportation of cocaine and heroin to their areas directly from Atlanta; Chicago, Illinois; and various cities in Florida, North Carolina, and Texas. Law enforcement reporting indicates that some cocaine traffickers in Rochester have developed such extensive drug markets that they are bypassing their usual sources of supply in New York City and dealing directly with Mexican traffickers in southwestern states.

Colombian DTO Leader Faces Smuggling Charges

In October 2008, Humbeiro Carvajal-Montoya, the leader of a Colombian heroin DTO, was extradited to the United States to face smuggling charges. Couriers for this DTO smuggled heroin into the United States concealed in layers of clothing, in the linings of suitcases and handbags, and beneath false bottoms of suitcases; the DTO also smuggled heroin in international cargo, often with the assistance of corrupt Colombian law enforcement officials and airport and airline personnel.

Source: U.S. Attorney, Southern District of New York.

Mexican DTOs are increasingly transporting multipound quantities of Mexican crystal methamphetamine to parts of the region, particularly New Jersey, using their established transportation networks. Most of the crystal methamphetamine available in the region is produced in laboratories in Mexico and is transshipped from locations in Southwest Border states, California and, increasingly, Atlanta. Mexican traffickers typically transport the drug overland in private and commercial vehicles that are often equipped with hidden compartments. In December 2008, law enforcement officers in New Jersey arrested one member of a Mexican DTO and seized 165 pounds of crystal methamphetamine. The methamphetamine was valued at approximately \$11 million and constituted the largest seizure of the drug ever in the Northeast. The drugs were wrapped in black duct tape, packaged in plastic containers, and concealed by commingling the containers in a shipment of legitimate produce. Traffickers also use mail and package delivery services to transport methamphetamine to the region. Mexican DTOs frequently supply crystal methamphetamine to various criminal groups and gangs for retail-level distribution in the region.

Canada-based DTOs, primarily Vietnamese, regularly transport substantial quantities of MDMA and high-potency hydroponic marijuana from Canada to northern New York. Canada-based traffickers, primarily Asian DTOs, smuggle marijuana by boat and private vehicle and MDMA by private vehicle from Canada through the St. Regis Mohawk (Akwesasne) Reservation. These DTOs hire residents of the reservation to transport the drugs to distributors in Upstate New York locations, mainly Albany and Syracuse. The upstate distributors then supply the drug to traffickers from New York City, predominantly Dominican distributors, for distribution there.

Some traffickers smuggle drugs to the NY/NJ HIDTA region through the Port of New York/New Jersey aboard maritime vessels. Dominican DTOs smuggle cocaine from South America and the Caribbean and Jamaican DTOs transport marijuana from Jamaica aboard marine conveyances. Additionally, Afghani and Pakistani DTOs smuggle limited quantities of SWA heroin into the NY/NJ HIDTA region in maritime cargo.

Traffickers also use package delivery services and the U.S. mail to ship illicit drugs into the region. Cocaine is occasionally shipped by traffickers to the NY/NJ HIDTA region in 1- to 5-kilogram quantities from Puerto Rico or the Dominican Republic. For instance, in September 2008, nine individuals from the Bronx and Manhattan were arrested in connection with a drug smuggling and money laundering organization that had concealed kilogram quantities of cocaine in boxes of children's toys and puzzles that were shipped from Puerto Rico to New York City using package delivery services. Mexican traffickers also use package delivery services to ship methamphetamine to New York, typically from California and Arizona. Some traffickers prefer to use package delivery services because the shipments can be monitored on the Internet—if a shipment is delayed, the traffickers often abandon it or refuse delivery, fearing law enforcement detection and intervention.

Distribution

The NY/NJ HIDTA region is a national distribution center for illicit drugs, primarily cocaine, heroin, and marijuana. DTOs, criminal groups, and independent dealers of various nationalities and races sell illicit drugs at the retail level, midlevel, and wholesale level in the HIDTA region. (See [Appendix C on page 21](#).) Colombian DTOs dominate the wholesale distribution of most illicit drugs in the region. Dominican DTOs, sometimes on behalf of Colombian DTOs and other times working independently, distribute wholesale quantities of cocaine and SA heroin and some MDMA. Cocaine generally sells for \$24,000 to \$42,000 per kilogram, and SA heroin sells for \$48,000 to \$70,000 per kilogram in the New York City area. Mexican DTOs are increasing their involvement in wholesale drug distribution within the region, particularly the sale of Mexican marijuana, cocaine, and SA heroin. Jamaican DTOs distribute Mexican and Jamaican marijuana at the wholesale level. Mexican marijuana typically sells for \$700 to \$1,500 per pound in the New York City area. Hydroponic marijuana sells for \$1,000 to \$8,000 per pound in New York City and for \$2,100 to \$4,200 per pound in Upstate areas. Retail-level drug trafficking is not controlled by any particular racial/ethnic group but is, instead, conducted by neighborhood-based criminal groups.

Mexican DTOs serve as the principal wholesale crystal methamphetamine distributors in the region; they frequently supply crystal methamphetamine to various criminal groups and gangs for retail-level distribution in the region. Crystal methamphetamine sells for \$18,000 to \$26,000 per pound in the New York City area.

Dominican, Hispanic, and African American DTOs dominate wholesale drug distribution in Upstate New York. These DTOs also distribute midlevel and retail-level quantities of most illicit drugs, along with street gangs and independent dealers. Street gang members are the primary retail-level distributors of cocaine and heroin in the upstate counties. Numerous New York

City-based DTOs have moved part of their drug operations to upstate counties, expanding their markets and increasing profit margins.

Members of street gangs, criminal groups, and DTOs use a variety of communication methods to conduct their drug operations. Street gang members and other drug distributors in the HIDTA region increasingly use prepaid cellular phones, which can be purchased at a low cost and with relative anonymity—factors that result in frequent disposal of the phones and circumvention of law enforcement communication intercepts. Some gang members prefer cell phones with two-way, direct-connect communication, believing that they are more secure from law enforcement interception. Street gang members increasingly use Internet social networking sites, personal web pages, online communities and forums, and message boards to facilitate their drug trafficking operations, recruit new members, boast about gang membership or related activities, and advertise events and house parties.

Drug-Related Crime

Drug-related violent crime is increasing in the NY/NJ HIDTA region; it is most often perpetrated by street gang members. They often use firearms to demand respect, defend their turf, or acquire new distribution territories. Law enforcement officials report that hundreds of small, unaffiliated neighborhood gangs with members totaling in the thousands operate in the New York metropolitan area. However, larger, more structured street gangs such as Bloods, Crips, DDP, Folk Nation, Latin Kings, Mara Salvatrucha (MS 13), Ñetas, and Trinitarios also operate in the HIDTA region. The number of gang-related arrests made by the Regional Fugitive Task Force¹³ in 2007 (the latest year for which such data are available) increased to 538 from 430 in 2006 and 246 in 2005. (See Appendix A on page 16.)

13. The Regional Fugitive Task Force's mission is to apprehend dangerous, violent fugitives in New Jersey/New York metropolitan areas.

Bloods and Crips are the most prevalent street gangs operating in the NY/NJ HIDTA region. According to New York City police officials, Bloods gang membership totals over 5,000; many members are involved in crack, heroin, and marijuana distribution. Further, a number of Bloods members have been implicated in drive-by shootings, homicides, and weapons trafficking. Bloods members frequently travel to Pennsylvania to obtain guns that they bring back to New York City to trade for drugs. Most recently Bloods members have become involved in home invasion robberies, targeting the homes of known drug distributors as well as homes in more affluent neighborhoods. Some gang members, in order to establish drug distribution operations, have targeted areas in Upstate New York and in rural areas of Pennsylvania and Vermont, areas that have not previously experienced large-scale street gang activity. Additionally, some Bloods members are employed in various capacities by IOC and Albanian DTOs in the HIDTA region. Crips members typically distribute drugs in various housing projects in New York City as well as in areas of Irvington, East Orange, and Newark, New Jersey. In December 2008, law enforcement officials arrested five gang members associated with Crips and Bloods under Operation Crip-Keeper, a multiagency initiative aimed at disrupting and dismantling violent gangs and their drug and weapons trafficking activities in New Jersey. Officers had previously arrested six other gang members during the course of this operation; they also seized 5 kilograms of heroin, 0.25 kilograms of crack cocaine, and five weapons.

Trinitarios gang members are involved in heroin and cocaine distribution at the retail level and are establishing a reputation for extreme violence. According to law enforcement officials, Trinitarios members view the gang as a “family,” yet the gang has a hierarchy and formal chain of command. Members often carry baseball bats, guns, knives, and machetes and are involved in assaults and home invasions. Trinitarios has infiltrated schools in the Bronx, Manhattan, and Queens and actively recruits new members from among the students.

Table 2. Drug-Related Treatment Admissions to Publicly Funded Facilities in New York and New Jersey, 2004–2007

	2004	2005	2006	2007
Heroin	79,117	85,181	89,387	79,253
Other opiates	7,685	8,881	11,004	13,688
Cocaine	50,471	58,484	63,380	56,815
Marijuana	42,932	49,111	51,545	52,500
Amphetamines, including methamphetamine	866	874	807	990

Source: Treatment Episode Data Set, data run date February 13, 2009.

Other gangs—DDP, Folk Nation, Latin Kings, and MS 13—also engage in criminal activities in the NY/NJ HIDTA region. These gangs derive their incomes primarily from drug distribution; they are also involved in robbery and weapons trafficking. DDP is involved in drug robbery and drug distribution. The Folk Nation gang is involved in drug trafficking, firearms offenses, murder, and racketeering, particularly in the Brownsville section of Brooklyn. In May 2008, the leader of Folk Nation was sentenced to life imprisonment for drug trafficking, murder, racketeering, and other crimes. Latin Kings members are involved in cocaine, heroin, and marijuana trafficking as well as robbery and real estate fraud. MS 13, a violent Salvadoran gang, is involved in drug and weapons trafficking, extortion, and home invasion robberies.

Street gang involvement in drug trafficking in New Jersey jurisdictions of the HIDTA region is increasing and has led to increased violence in those areas. Street gang members are also involved in armed robberies, assaults, attempted homicides, and property crimes. Gang-related property crimes are often crimes of opportunity or impulse crimes because they are typically committed with little planning, require few resources, generate money quickly, and are generally conducted as a one-time operation.

Abuse

Heroin, cocaine, and marijuana are abused at particularly high levels throughout the NY/NJ HIDTA region. According to data from the Treatment Episode Data Set (TEDS), the number of heroin-related treatment admissions to publicly funded facilities in the region exceeds that of any other drug. (See Table 2.) The number of heroin-related treatment admissions steadily increased from 2004 (79,117) to 2006 (89,387), before dropping to near 2004 levels in 2007 (79,253), the latest year for which such data are available. An increasing number of teenagers and young adults are abusing diverted CPDs in the NY/NJ HIDTA region. Many teens believe that drugs prescribed by a doctor are not as harmful as drugs such as cocaine, heroin, and methamphetamine and, therefore, are not as dangerous. However, treatment providers indicate that the abuse of diverted CPDs often serves as a gateway for adolescents and young adults to abuse other drugs. For instance, controlled prescription narcotics abusers who become addicted to the drugs often switch to heroin because of its higher availability and lower price. Similarly, abusers of controlled prescription stimulants sometimes “graduate” to crack cocaine abuse.

The abuse of heroin poses a significant threat in the NY/NJ HIDTA region. According to data from the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2008,¹⁴ more than 22 percent of state and local law enforcement agencies in the NY/NJ region—more than twice the nationwide percentage of 9.8—identify heroin as the greatest drug threat to their jurisdictions. Further, nearly 68 percent

14. National Drug Threat Survey (NDTS) data for 2008 cited in this report are as of February 12, 2009. NDTS data cited are raw, unweighted responses from federal, state, and local law enforcement agencies solicited through either the National Drug Intelligence Center (NDIC) or the Office of National Drug Control Policy (ONDCP) High Intensity Drug Trafficking Area (HIDTA) program. Data cited may include responses from agencies that are part of the NDTS 2009 national sample and/or agencies that are part of HIDTA solicitation lists.

Table 3. New York/New Jersey HIDTA Region and Nationwide Law Enforcement Responses to the National Drug Threat Survey 2008,* in Percentages

Drug	Availability Moderate to High		Greatest Drug Threat	
	NY/NJ Region	Nationwide	NY/NJ Region	Nationwide
Powder cocaine	83.4	81.5	11.1	8.7
Crack cocaine	71.6	75.5	31.8	32.2
Heroin	67.9	41.0	22.1	9.8
Marijuana	95.5	98.5	27.2	11.3
Powder methamphetamine	9.9	44.3	0.0	10.3
Crystal/ice methamphetamine	6.5	44.2	0.0	19.1
MDMA	49.9	49.7	0.0	0.1**
Controlled prescription drugs	74.1	79.5	7.0	8.1

*Data run date July 1, 2008.

**Nationwide percentage for MDMA is less than 0.1 percent.

report that heroin availability is moderate to high in their areas. ([See Table 3.](#))

The heroin threat has seriously impacted Nassau and Suffolk Counties. The Nassau County Police Department indicates that in the first half of 2008, the number of heroin-related overdose deaths (12) was 50 percent higher than the number of overdoses for all of 2007 (8). Additionally, the number of heroin-related arrests in Nassau County increased 40 percent from 2007 (151) to 2008 (211). Suffolk County authorities, facing a similar heroin problem, have established a new unit within the Narcotics Division of the Police Department to monitor only heroin-related overdoses and investigate overdose deaths. In response to the heroin threat, legislators in both Nassau and Suffolk Counties passed laws that require law enforcement authorities to establish and implement a Drug Mapping Index web site, which will be available to the public when operational. The web site, publicized as the first of its kind in the nation, will map arrests for possession and sale of heroin and will include the nature and class of the arrests; the alleged offender's age; and the date, time, and location of the arrest. Finally, the Nassau County law also requires law

enforcement officials to notify school officials in the county when an arrest is made for heroin possession and/or sale.

Cocaine is abused at relatively high levels in the NY/NJ HIDTA region; cocaine-related treatment admissions increased each year from 2004 through 2006 before declining in 2007; cocaine-related treatment admissions are second only to heroin, according to TEDS data. According to NDTs 2008 data, nearly 43 percent of state and local law enforcement agencies in the NY/NJ region identify cocaine, either powder cocaine (11.1%) or crack (31.8%), as the greatest drug threat to their jurisdictions. ([See Table 3.](#)) Further, more than 53 percent identify cocaine, either powder cocaine (9.4%) or crack cocaine (44.4%), as the drug that most contributes to violent crime in their jurisdictions—more than triple the percentage for any other drug.

Marijuana is the most widely available and most commonly abused illicit drug in the region. The availability of high-potency marijuana, both Canadian and locally produced, is increasing in the region, leading to a rising number of treatment admissions for marijuana abuse. According to NDTs 2008 data, 27.2 percent of state and local law enforcement agencies in the NY/NJ region

indicate that marijuana is the greatest drug threat in their jurisdictions. This is more than twice the nationwide rate of 11.3 percent. ([See Table 3 on page 13.](#)) Further, according to TEDS, the number of marijuana-related treatment admissions increased each year from 2004 through 2007.

Methamphetamine abuse in the NY/NJ HIDTA region is low. According to the NDTs 2008, less than 10 percent of state and local law enforcement agencies in the region indicate that powder methamphetamine availability in their jurisdictions is moderate to high, significantly lower than the nationwide rate of 44.3 percent. Those reporting moderate to high availability of crystal methamphetamine were even lower at 6.5 percent. ([See Table 3 on page 13.](#)) The abuse of methamphetamine is spreading outside the established population of abusers, fueling concern among law enforcement officials and treatment providers that it may become more widespread. Abuse of the drug, once concentrated among patrons of some nightclubs in New York City, is now spreading to a wider cross section of the population, including younger and more affluent abusers. The number of methamphetamine-related treatment admissions has fluctuated since 2004, but increased 23 percent overall from 2006 (807) through 2007 (990).

Illicit Finance

New York City, as one of the world's principal financial centers, the economic capital of the United States, and a central market for the international jewelry and precious metals industries, provides diverse money laundering opportunities for DTOs. Most DTOs operating in New York rely on multiple methods, including bulk cash smuggling, money transmissions through money services businesses (MSBs), structured deposits in traditional depository institutions, front companies, and real estate purchases, to launder illicit drug proceeds.

Traffickers, particularly Mexican DTOs, are increasingly smuggling bulk cash from the NY/NJ HIDTA region to Mexico in private vehicles and tractor-trailers. Once bulk cash is smuggled into Mexico, it is either deposited by traffickers into Mexican financial institutions, repatriated to the United States for reintroduction into the U.S. financial system, used by traffickers in Mexico for operational expenses, or smuggled in bulk farther south to Guatemala, Panama, Colombia, or other Latin American countries.

Many DTOs in the region use MSBs to launder drug proceeds, frequently in conjunction with bulk cash smuggling. Colombian and Dominican DTOs send significant amounts of money through MSBs in New York to Colombia, the Dominican Republic, and locations in Central and South America. Mexican DTOs often transmit illicit proceeds in structured amounts through MSBs to collection points in Southwest Border states, where the transmissions are cashed, and most of the money is then smuggled across the border. Many MSBs in the Jackson Heights area of New York also are used to facilitate drug money laundering.

New York is a primary location in the United States for Black Market Peso Exchange (BMPE)¹⁵ activity, including money pickup operations.¹⁶ Colombian DTOs routinely use the BMPE to launder illicit proceeds generated in the New York/New Jersey HIDTA. A portion of bulk cash smuggled from New York across the Southwest Border is wired to other international locations, such as Panama, Hong Kong, and mainland China for use in the BMPE.

15. The Black Market Peso Exchange (BMPE) is a system in which Colombian traffickers receive Colombian pesos in Colombia in exchange for U.S. drug proceeds located in the United States. Peso brokers traditionally facilitate this process by selling Colombian trafficker-owned U.S. drug proceeds located in the United States at a discount to Colombian merchants, who use the funds to purchase U.S. goods, typically in free zones.

16. Money pickup operations involve the collection of cash from drug traffickers by workers of peso brokers for placement in the financial system for further use in BMPE-related transactions.

Some DTOs in the HIDTA region also are increasingly structuring¹⁷ cash deposits in unusually small amounts at both traditional financial institutions and MSBs. This technique is similar to traditional structuring,¹⁸ but involves amounts usually under \$1,000 to minimize potential scrutiny and the chance that a Suspicious Activity Report (SAR) will be filed by a bank official.

Traffickers also exploit traditional depository institutions to facilitate money laundering activity through the use of correspondent bank accounts¹⁹ between international and U.S. banks. Many of the largest international and U.S. banks are located in the NY/NJ HIDTA region; traffickers routinely exploit them by structuring cash deposits into accounts at U.S. banks in New York City and elsewhere, wiring the proceeds through correspondent accounts to U.S. branches of international banks in New York City. The traffickers then wire proceeds to overseas accounts. Additionally, Colombian and Mexican DTOs move drug proceeds through traditional depository institutions by depositing money in U.S. bank accounts and then withdrawing the money locally or in other states or countries from automated teller machines (ATMs); they also move the funds by wire transfer.

17. A person structures a transaction if that person, acting alone, or in conjunction with or on behalf of other persons, conducts or attempts to conduct one or more transactions in currency, in any amount, at one or more financial institutions, on one or more days, in any manner, for the purpose of evading the reporting requirements under Title 31. "In any manner" includes but is not limited to the breaking down of a single sum of currency exceeding \$10,000 into smaller sums, including sums at or below \$10,000. The transaction or transactions need not exceed the \$10,000 reporting threshold at any single financial institution on any single day in order to constitute structuring within the meaning of this definition.
18. Traditional structuring (see previous footnote) refers to structuring in financial institutions and money services businesses (MSBs). Bank Secrecy Act recordkeeping rules for MSBs require presentation of identification at time of transaction and entry into a wire transfer log for transactions of \$3,000 or greater.
19. A correspondent account enables financial institutions to provide banking services, including interbank funds transfers, to one another.

Money launderers also use privately owned ATMs to launder illicit drug proceeds. The lack of regulatory measures monitoring these privately owned machines makes them extremely vulnerable to misuse by criminals. Private ATMs are generally placed inside high-traffic businesses in the region and are loaded with drug proceeds. The funds are withdrawn by cardholders, and the ATM owner's bank account is credited electronically for the transaction as well as a service charge.

Outlook

Heroin abuse levels will most likely increase in the NY/NJ HIDTA region in the near term. If intermittent cocaine shortages continue, more cocaine distributors may begin selling heroin as distributors in Albany, Erie, Monroe, and Onondaga Counties and other areas have done. New heroin abusers also will quite likely result from heroin distributors' targeting new, younger customers in smaller towns and rural areas in New Jersey. Further, more CPD abusers will most likely begin abusing heroin if prices remain low relative to the cost of CPDs. Rising heroin abuse levels in the NY/NJ HIDTA region will most likely result in increases in heroin-related treatment admissions, overdose deaths, and arrests.

Mexican DTOs have expanded their trafficking operations in the NY/NJ HIDTA region and are well-positioned to increase the supply of crystal methamphetamine to the region if demand for the drug rises. Methamphetamine abuse is spreading outside the established population of abusers, fueling concern among law enforcement officials and treatment providers in the region that it may become more widespread.

Appendix A. New York/New Jersey HIDTA Region Enforcement Initiatives

The **Regional Intelligence Center** (RIC), which is led by the New York City Police Department (NYPD) and located at the NY/NJ HIDTA Center in Manhattan, is staffed by representatives from numerous federal, state, and local law enforcement agencies. The RIC is the central conduit for information-sharing among law enforcement in the New York/New Jersey HIDTA region. The cornerstone of the RIC is the timely and accurate collection, analysis, and dissemination of criminal intelligence, particularly drug intelligence.

The **El Dorado Money Laundering Task Force** is a multiagency task force whose mission is to disrupt, dismantle, or render ineffective organizations involved in the laundering of proceeds from illicit drug trafficking and other financial crimes in the New York metropolitan area. This mission is accomplished by targeting the primary avenues used by drug traffickers to launder drug profits: money services, physical transportation, merchandising, banking and brokerages, and bulk cash. The task force is led by U.S. Immigration and Customs Enforcement (ICE) and consists of 178 representatives from various federal, state, and local law enforcement agencies. The El Dorado Task Force is also part of the High Intensity Financial Crimes Area (HIFCA) Program for the New York metropolitan area. In calendar year (CY) 2008, the task force reviewed more than 41,316 SARs, dismantled 12 and disrupted 24 drug trafficking and money laundering organizations, and seized more than \$15 million. Additionally, the task force seized 41 kilograms of cocaine, 16 kilograms of heroin, and 125 kilograms of marijuana in 2008.

The **Regional Fugitive Task Force** is led by the U.S. Marshals Service and comprises more than 120 federal, state, county, and local law enforcement officers from 50 law enforcement agencies. The task force's mission is to apprehend dangerous, violent fugitives in New Jersey/New York metropolitan

areas. In CY2008 the task force arrested 7,522 fugitives, of whom 1,687 were charged with drug felonies and 707 were affiliated with gangs. The task force seized 14 kilograms of cocaine, 12 kilograms of heroin, and 46 kilograms of marijuana.

The **New Jersey Drug Trafficking Organization Task Force** draws together investigators from DEA and state, county, and local law enforcement agencies to disrupt or dismantle major DTOs in New Jersey. In CY2008 the task force dismantled 2 and disrupted 8 DTOs. The task force seized 369 kilograms of cocaine, 76 kilograms of heroin, and 800 kilograms of marijuana. Additionally, the task force seized \$5 million.

The **New York OCDETF (Organized Crime Drug Enforcement Task Force) Strike Force** comprises investigators from DEA, the Federal Bureau of Investigation (FBI), ICE, Internal Revenue Service (IRS), U.S. Marshals Service, NYPD, and the New York State Police. Its mission is to disrupt and dismantle major DTOs that have been designated by the U.S. Department of Justice as Consolidated Priority Organization Targets (CPOTs) and affiliates operating within the New York metropolitan area. In CY2008 the task force dismantled 5 DTOs and disrupted 19 others. During CY2008 the task force seized 3,679 kilograms of cocaine, 66 kilograms of heroin, 186 kilograms of marijuana, and 2,252 units of MDMA. Additionally, task force officers seized approximately \$19 million.

The **Buffalo Drug Enforcement Task Force**, the **Capital District Drug Enforcement Task Force**, the **Central NY Drug Enforcement Task Force** and the **Rochester Drug Enforcement Task Force** became operational toward the end of 2008. In CY 2008 these task forces combined dismantled 8 DTOs, seized 33 kilograms of cocaine, 597 kilograms of marijuana and seized approximately \$1.8 million in cash and other assets.

Appendix B. Profiles of HIDTA Counties in Upstate New York

Albany County

Drug Threat

Heroin availability and abuse have increased significantly in Albany County. As a result of cocaine shortages, some traditional cocaine distributors have begun distributing heroin to new and existing heroin abusers. Canadian hydroponic marijuana also poses a serious threat to the area. CPDs pose an increasing threat.

Sources of Supply and Transportation

Heroin abuse increased in Albany County during 2008. Local Hispanic and African American males who distribute heroin in the area typically travel to Washington Heights by private vehicle, bus, or train to obtain bricks of heroin that they transport to Albany where they mill the drug for local retail distribution. Further, heroin abusers in many of the neighboring rural counties travel to Albany, where heroin sells for \$25 per bag or \$250 per bundle, to obtain the drug.

Cocaine available in Albany County is supplied by Dominican sources in New York City, specifically Washington Heights. Some New York City-based Dominican dealers travel to Albany to deliver multiounce to kilogram quantities of powder cocaine to their regular customers. Additionally, some Albany County distributors, usually Caucasian and African American males, travel to Washington Heights or the Bronx, either in private vehicles or by bus, to obtain multiounce quantities of powder cocaine for distribution in Albany County. For instance, in June 2008 law enforcement officials dismantled a DTO operating between the Bronx and the Albany region and arrested 19 individuals for

their roles in this distribution ring. This multi-agency case, entitled Operation Family Tree, led to the largest drug seizure in the capitol region in recent history; officers seized nearly 20 pounds of cocaine and 140 pounds of marijuana. Law enforcement sources report that cocaine purity levels have dropped significantly as a result of shortages of the drug and that many distributors are not finding it cost effective to convert the drug into crack cocaine. As a result, there has been an increase in the abuse of powdered cocaine in the Albany area.

Marijuana poses a serious threat to the Albany area. Most marijuana distributors obtain high-potency marijuana from Native American traffickers on the St. Regis Mohawk (Akwasasne) Reservation on the U.S.–Canada border for distribution in the Albany area. Some law enforcement officials indicate that this higher-potency marijuana often serves as a gateway drug for CPD abuse by young people and, eventually, heroin abuse. Mexican marijuana is occasionally shipped to the Albany area from the West Coast through package delivery services.

Diverted CPDs pose an increasing drug threat in Albany County. Vicodin (hydrocodone), OxyContin (oxycodone), and other opioids as well as Xanax (alprazolam) are the primary CPDs abused in Albany County.

Secondary Markets

Albany serves as a distribution center for crack cocaine in Upstate New York. The city also is a source of supply for powder cocaine, crack, and heroin to smaller cities and towns in surrounding areas as well as Vermont and Massachusetts. Dealers and abusers from surrounding towns travel to Albany to obtain drugs for further distribution or personal use. Some

Albany dealers also deliver powder cocaine and crack to their regular customers in these secondary markets. Deals typically take place at prearranged meeting locations in residences or parking lots.

Erie County (Buffalo)

Drug Threat

Cocaine is the primary drug threat in Erie County; however, a rapidly increasing heroin problem poses a particular concern to law enforcement officials. Canadian high-potency, hydroponic marijuana is a serious threat to the area, particularly because Buffalo serves as a significant transshipment point for Canadian marijuana smuggled into the United States. The abuse of CPDs has increased in the Buffalo area as well.

Sources of Supply and Transportation

The heroin threat posed to Buffalo increased considerably in 2008. Law enforcement officials indicate that the decline in cocaine availability significantly impacted the drug situation in Buffalo. Many local cocaine distributors, unable to obtain sufficient cocaine supplies, have begun distributing heroin. Heroin distributors obtain drug supplies primarily from sources in Brooklyn and Washington Heights. However, some heroin is shipped to the area from Mexico and Puerto Rico through package delivery services. Hispanic individuals on the west side of Buffalo are the primary heroin abusers in the city; however, law enforcement officials report that many urban teenagers—some as young as 14 years of age—and young adults from the outlying rural communities and counties frequently travel to Buffalo to obtain heroin.

Cocaine availability declined significantly in Buffalo during the second quarter of 2008. In the first quarter of 2008, availability returned to 2006 levels for the first time since early 2007,

but in the second quarter of 2008 it again fell below 2006 levels. Investigators reported that it was harder to make undercover buys in the area during the second quarter and that abusers were complaining about low-purity cocaine. Local law enforcement officials reported that midlevel dealers had difficulty putting together ounce-quantity deals, and abusers were switching to CPDs because of the shortage of cocaine. Some investigators attributed the shortage to an interruption in supplies from New York City and Atlanta.

Hispanic traffickers, particularly Dominican, on the west side of Buffalo and African American traffickers on the east side are the primary distributors of powder cocaine and crack in the city. Most of the dealers are males and range from 17 to 50 years of age. In July 2008 law enforcement officers arrested 25 individuals who were involved in the distribution of crack cocaine in Buffalo. These individuals were selling 2 or more kilograms of crack cocaine per week in Buffalo and throughout the western New York area.

Marijuana, both Mexican and Canadian, is readily available and commonly abused in Buffalo. According to DEA, most of the marijuana seized in Buffalo is high-potency hydroponic marijuana produced in Canada. However, law enforcement officers in Buffalo report that Canadian marijuana is too expensive for most of the marijuana abusers in the city; most of the high-potency marijuana transits their area en route to distributors in New York City and other areas. Mexican marijuana is transported to the area from the West Coast and from Tennessee through the use of package delivery services.

CPD diversion has increased significantly in Buffalo, according to local law enforcement sources. Abusers are obtaining Lortab (hydrocodone) and OxyContin through traditional diversion methods such as doctor-shopping and forged prescriptions. Additionally, law enforcement officials and treatment providers report that

many controlled prescription narcotic abusers in the area have progressed to heroin abuse.

Buffalo law enforcement officers recently seized an active DMT (dimethyltryptamine) laboratory. DMT is a Schedule I Controlled Substance that has hallucinogenic effects similar to LSD (lysergic acid diethylamide).

Secondary Markets

Buffalo serves as a source of supply for many secondary markets in Erie County and the surrounding area. Dealers and abusers from surrounding towns and cities such as Amherst, Jamestown, Niagara Falls, and Tonawanda travel to Buffalo to obtain cocaine, heroin, and marijuana supplies for personal use and for further distribution in their respective areas.

Buffalo is a major transshipment point for hydroponic marijuana entering the United States and cocaine entering Canada; the Niagara Frontier region is the primary transit area for cocaine entering eastern Canada, according to DEA. Western New York POEs are being increasingly used by Canada-based traffickers for transshipment of marijuana into the United States; a large portion of the marijuana seized in Buffalo is destined for locations outside western New York. The size of hydroponic marijuana shipments to the United States from Canada has increased significantly. Previously, loads shipped through the western New York POEs were several hundred pounds; now most are several thousand pounds.

Monroe County (Rochester)

Drug Threat

Powder cocaine poses the most serious threat to Monroe County and the city of Rochester. The heroin threat increased in 2008. Crack cocaine and marijuana also pose a significant threat to the city.

Sources of Supply and Transportation

Cocaine availability has declined, and prices have increased in the Rochester area, accompanied by an increase in heroin distribution and abuse. Rochester-based drug distributors obtain cocaine and heroin primarily from distributors in New York City; however, some obtain cocaine from sources in Houston, Texas, and Atlanta and heroin from sources in Detroit. Local distributors, usually young Dominican males, travel to New York City by private vehicle, often outfitted with concealed compartments, to purchase illicit drugs for distribution in their areas; some also travel by bus and by train. They obtain multi-kilogram quantities of cocaine and multiounce quantities of heroin and transport the drugs back to Rochester for distribution to local midlevel and retail-level dealers. Dominican and African American individuals are the primary cocaine and heroin distributors in the area, while young African American males are the primary crack cocaine dealers. The primary heroin abusers are 18- to 25-year-old Caucasian females from suburban areas. Additionally, some young individuals from Corning and Elmira travel to Rochester to obtain heroin.

Some local distributors obtain cocaine and heroin from sources of supply in Puerto Rico. In October 2008, 25 individuals operating a drug trafficking ring in Rochester were involved in transporting kilogram quantities of cocaine and heroin to the city from Puerto Rico using package delivery services. The illicit proceeds from the sale of the cocaine and heroin were mailed back to suppliers in Puerto Rico.

Local distributors typically obtain marijuana from sources of supply in California. Most of the marijuana is transported to the area using package delivery services.

Secondary Markets

Rochester is a distribution center for powder cocaine, crack, and heroin to cities, towns, and counties within a 40-mile radius of the city, including Corning and Elmira as well as Livingston, Ontario, Seneca, Wayne, and Yates Counties.

Onondaga County (Syracuse)

Drug Threat

Cocaine, particularly crack, poses the most serious threat to Onondaga County and the city of Syracuse. Heroin abuse is increasing in Syracuse. Marijuana, particularly Canadian hydroponic marijuana, also poses a significant threat.

Sources of Supply and Transportation

Cocaine availability and purity in Syracuse have declined, while the price of the drug has increased. As a result, many of the local cocaine distributors have switched to heroin distribution. Syracuse-based drug dealers frequently travel to the Washington Heights section of New York City by private vehicle, bus, and train to obtain cocaine and heroin. Law enforcement officials report that Bloods street gang members from New Jersey have moved into several public housing areas in Syracuse and are distributing drugs obtained from family and gang connections in New Jersey. Former inner-city crack cocaine abusers and Caucasian teens and young adults from urban and suburban areas are the primary heroin abusers in Syracuse.

DTOs operating in Upstate New York transport marijuana from various areas for local distribution. Some upstate DTOs smuggle marijuana from Canada into the United States through the St. Regis Mohawk (Akwesasne) Reservation. For instance, in December 2008 law enforcement officials dismantled an international marijuana trafficking organization; 29 individuals were subsequently indicted for their roles in the organization, which was based in Syracuse. This organization smuggled thousands of pounds of marijuana and millions of dollars across the U.S.–Canada border through the St. Regis Mohawk (Akwesasne) Reservation. Once in the United States, the organization transported the drugs to the Onondaga Reservation and the Salamanca Reservation (near Buffalo). The cash proceeds were shipped in bulk back to Canada. Some Syracuse-based DTOs also travel to New York City to obtain marijuana for distribution in Syracuse and the surrounding areas.

Secondary Markets

Syracuse supplies secondary markets in an approximate 60-mile radius of the city, including Binghamton, Fort Drum, Oswego, Utica, and Watertown.

Appendix C. Drug Distributors in the New York/ New Jersey HIDTA Region

**Table C1. Distributors in the New York/New Jersey HIDTA Region,
by Drug and Level of Distribution, 2008**

Cocaine Distributors		
Wholesale	Midlevel	Retail
African American DTOs	African American DTOs, CGs	African American CGs, INDs
Colombian DTOs	Caucasian DTOs, CGs	Caucasian CGs, INDs
Dominican DTOs	Colombian DTOs, CGs	Dominican CGs, INDs
Italian Organized Crime	Dominican DTOs, CGs	Italian Organized Crime
Mexican DTOs	Italian Organized Crime	Jamaican CGs, INDs
Puerto Rican DTOs	Jamaican DTOs, CGs	Mexican CGs, INDs
	Mexican DTOs, CGs	Puerto Rican CGs, INDs
	Puerto Rican DTOs, CGs	Street gangs
	Street gangs	
Heroin Distributors		
Wholesale	Midlevel	Retail
Asian DTOs	Asian DTOs, CGs	African American CGs, INDs
Colombian DTOs	Colombian CGs	Asian CGs, INDs
Dominican DTOs	Dominican DTOs, CGs	Dominican CGs, INDs, Italian Organized Crime
Italian Organized Crime	Italian Organized Crime	Puerto Rican CGs, INDs
Mexican DTOs	Mexican DTOs, CGs	Street gangs
Pakistani DTOs	Pakistani DTOs, CGs	Nigerian and Other West African CGs, INDs
Nigerian and Other West African DTOs	Nigerian and Other West African DTOs, CGs	
Marijuana Distributors		
Wholesale	Midlevel	Retail
Caucasian DTOs	Caucasian CGs, INDs	African American CGs, INDs
Colombian DTOs	Colombian CGs	Caucasian CGs, INDs
Dominican DTOs	Dominican CGs	Dominican CGs, INDs
Italian Organized Crime	Italian Organized Crime	Italian Organized Crime
Jamaican DTOs	Jamaican CGs, INDs	Jamaican CGs, INDs
Mexican DTOs	Mexican CGs	Mexican CGs, INDs
	Street gangs	Street gangs

(Table continued from previous page.)

**Table C1. Distributors in the New York/New Jersey HIDTA Region,
by Drug and Level of Distribution, 2008**

MDMA Distributors		
Wholesale	Midlevel	Retail
Dominican DTOs	Caucasian CGs	African American CGs, INDs
Italian Organized Crime	Colombian CGs	Caucasian CGs, INDs
	Dominican CGs	Dominican CGs, INDs
	Italian Organized Crime	Italian Organized Crime
Methamphetamine Distributors		
Wholesale	Midlevel	Retail
NA	Caucasian CGs, INDs	Caucasian CGs, INDs
Controlled Prescription Drug Distributors		
Wholesale	Midlevel	Retail
NA	Caucasian CGs, INDs	Caucasian CGs, INDs

CGs—Criminal groups

DTOs—Drug trafficking organizations.

INDs—Independent dealers.

NA—Not applicable.

Sources

Local, State, and Regional

New Jersey

Bayonne Police Department
Belleville Police Department
Bergen County Prosecutor's Office
Carlstadt Police Department
Cedar Grove Police Department
City of Orange Township Police Department
Cliffside Park Police Department
East Orange Police Department
Elizabeth Police Department
Englewood Cliffs Police Department
Essex County Sheriff's Office
 Bureau of Narcotics
Fairfield Township Police Department
Fairview Police Department
Fort Lee Police Department
Garfield Police Department
Garwood Police Department
Guttenberg Police Department
Hackensack Police Department
Hillsdale Police Department
Hillside Police Department
Hoboken Police Department
Hudson County Prosecutor's Office
Jersey City Police Department
Kenilworth Police Department
Linden Police Department
Montclair Police Department
Montvale Police Department
Newark Police Department
New Jersey Department of Human Services
 Division of Addiction Services
Paramus Police Department
Passaic County Prosecutor's Office
Passaic Police Department
Paterson Police Department
Plainfield Police Department
Pompton Lakes Police Department
Rahway Police Department
Ridgefield Park Police Department
Ridgewood Police Department
Teaneck Police Department
Township of Union Police Department
Union City Police Department
Union County Police Department

Union County Prosecutor's Office
 Narcotic Strike Force
Upper Saddle River Police Department
Verona Police Department
Wallington Police Department
Wayne Township Police Department
West Caldwell Police Department
West Milford Police Department
West Orange Police Department

New York

Albany County Sheriff's Department
Albany Police Department
Amherst Police Department
Buffalo Police Department
Cheektowaga Police Department
City of Lackawanna Police Department
City of White Plains Police Department
Depew Police Department
Dobbs Ferry Police Department
East Rochester Police Department
Erie County Sheriff's Office
Freeport Police Department
Garden City Police Department
Glen Cove Police Department
Great Neck Estates Police Department
Greece Town Police Department
Guilderland Police Department
Hempstead Police Department
Lake Success Police Department
Manlius Police Department
Monroe County Sheriff's Office
Mount Vernon Police Department
Nassau County Police Department
New Castle Police Department
New Rochelle Police Department
New York City Police Department
 Drug Enforcement Task Force
New York High Intensity Financial Crimes Area
New York State Office of Alcohol and Substance Abuse Services
New York State Police Department
Ocean Beach Police Department
Onondaga County Sheriff's Department
Port Authority of New York/New Jersey
Rochester Police Department
Sleepy Hollow Police Department
Southampton Town Police Department
Suffolk County District Attorney's Office
Suffolk County Police Department
Syracuse Police Department

Tarrytown Police Department
Town of Colonie Police Department
Town of Evans Police Department
 Detective Bureau
Town of Geddes Police Department
Town of Hamburg Police Department
Town of Tonawanda Police Department
Watervliet Police Department
Westchester County Police
Yonkers Police Department

Federal

Executive Office of the President
 Office of National Drug Control Policy
 High Intensity Drug Trafficking Area
 New York/New Jersey
 HIDTA Enforcement Task Force
U.S. Department of Commerce
 U.S. Census Bureau
U.S. Department of Health and Human Services
 Substance Abuse and Mental Health Services Administration
 Office of Applied Studies
 Treatment Episode Data Set
U.S. Department of Justice
 Drug Enforcement Administration
 El Paso Intelligence Center
 National Seizure System
 New Jersey Field Division
 New York Field Division
 Federal Bureau of Investigation
 U.S. Attorneys Offices
 District of New Jersey
 Eastern District of New York
 Northern District of New York
 Southern District of New York
 Western District of New York
U.S. Department of the Treasury
 Financial Crimes Enforcement Network

Other

The Association of International Bank Auditors

**Questions and comments may be directed to
New England/New York/New Jersey Unit, Regional Threat Analysis Branch.**

National Drug Intelligence Center

319 Washington Street 5th Floor, Johnstown, PA 15901-1622 • (814) 532-4601

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