



Department of Justice

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Chinese National Sentenced for Role in Money Laundering Conspiracy

LEXINGTON, Ky. – On Friday, July 19, 2019, a Chinese national residing in Chino Hills, California, was sentenced by U.S. District Judge Danny C. Reeves for his involvement in a money laundering conspiracy operating in Fayette County and elsewhere. Fengqiang Zhang, 41, was sentenced to 48 months in federal prison and 36 months of supervised release for his role in laundering money that was proceeds of drug trafficking. Zhang also faces deportation to China as a result of his conviction.

Zhang previously admitted that, from October 2018 until December 2018, in Fayette County, he conspired with Nancy Garcia Zapata and others to launder drug proceeds. Garcia also pleaded guilty to the same money laundering conspiracy charge and was sentenced to 71 months and 36 months of supervised release.

The investigation, jointly conducted by the Drug Enforcement Administration and the Lexington Police Department, began in 2016. The early investigation focused on the drug trafficking activities of Garcia's husband, Fernando Lara Salas, and resulted in the execution of a search warrant in July 2017 at the residence he shared with Garcia. Officers located and seized 6 kilograms of cocaine, more than 50 grams of methamphetamine, approximately \$110,000 in U.S. currency, and a loaded firearm. Following a jury trial, Fernando Lara Salas was convicted of drug trafficking, firearms and immigration offenses and was sentenced to a term of 353 months.

By October 2018, only 3 months after Lara Salas was sentenced, investigators were focused on Nancy Garcia and the same Lexington residence. DEA agents seized nearly \$400,000 in drug proceeds from Zhang and later observed Zhang meeting with Garcia at the residence. Zhang was stopped by police, who located approximately

\$150,000 in a duffle bag in his rental vehicle, which was proceeds Zhang received from Garcia. A search warrant was executed at the residence and approximately \$272,000 in drug proceeds were seized. Both Zhang and Garcia admitted that all of the money seized from them by law enforcement during the investigation was proceeds of drug trafficking.

“We will continue to emphasize the importance of anti-money laundering efforts, especially related to drug trafficking investigations,” said United States Attorney Robert M. Duncan, Jr. “By disrupting the ability of a criminal organization to launder and move proceeds of illegal drug trafficking activities, law enforcement personnel are able to weaken that organization. In disrupting the flow of money, law enforcement also disrupts the flow of drugs. We commend the work of our law enforcement partners with DEA and the Lexington Police Department on this successful investigation and prosecution.”

Robert M. Duncan, Jr., United States Attorney for the Eastern District of Kentucky; Darrell Christopher Evans, Special Agent in Charge, DEA Louisville, and Lawrence Weathers, Chief of Police, Lexington-Fayette County Division of Police, jointly made the announcement. The United States was represented by Assistant United States Attorney Todd Bradbury.

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