

# STATE OF NEW MEXICO

## Governor's Organized Crime Commission



### 2024 Annual Report

Chairman: Sam Bregman

Commissioners: John Allen, Jason Bowie, Sonya K. Chavez,  
Eddie Flores, Marcus Montoya, and Judith K. Nakamura



## NEW MEXICO ORGANIZED CRIME COMMISSION

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December 12, 2024

The Honorable Michelle Lujan Grisham, Governor  
The Honorable Members of the New Mexico Legislature

Enclosed is the New Mexico Organized Commission's report for the calendar year 2024.

This report summarizes our efforts in thwarting organized crime in the areas of human trafficking, gun smuggling, and drug trafficking. We have worked diligently towards unifying law enforcement agencies in order to subvert the adept organizations plaguing the state of New Mexico. However, a tremendous amount work still lies before us towards making our communities a safer place. Therefore, we request the opportunity to continue our efforts so that we may continue to fight for a brighter and safer future for everyone in New Mexico.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "SB", written over a horizontal line.

**Sam Bregman, Chairman**

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## **I. Executive Summary**

Since its resurrection in May of 2023, the Organized Crime Commission has been tasked with assessing and moving against organized crime in the areas of Human Trafficking, Gun Smuggling, and Drug Trafficking. In 2024, the Commission has had successes, working closely with state, federal, and local law enforcement agencies to disrupt criminal activities in these areas:

- Staff members of the Commission have identified significant fentanyl routes into the state of New Mexico and have dispelled myths about where the largest amounts of fentanyl are coming from.
- The Commission has assisted with takedowns of illicit cannabis dispensaries and farms linked to organized crime, resulting in the seizure and destruction of approximately \$200 million dollars' worth of illegal product.
- Special Agents in the Commission have opened investigations against the dangerous Venezuelan gang, Tren De Aragua, which is responsible for significant amounts of human trafficking, drug trafficking, and gun smuggling throughout the country.
- The Commission has worked with local law enforcement to shut down 10 massage parlors and seized just under \$100,000 in currency from illegal sex trafficking business conducted at these massage parlors.
- The Commission spearheaded a two-part operation with New Mexico State Police and many other agencies to rescue over 200 migrants from Transnational Criminal Organizations and disrupted dozens of stash houses.

Accordingly, the Organized Crime Commission is once more requesting funding to pay for staff, equipment, and travel. We are also seeking to expand the team to include additional special agents and intelligence analysts. Furthermore, the Commission is recommending legislative changes to the human trafficking statute, the creation of a centralized intelligence center led by the Department of Public Safety, and changes to legislation to further criminalize illegal firearm transactions to minors. We posit that these changes would make a significant impact towards making New Mexico a much safer place.

## **II. Preface**

In March 2023, the Governor of New Mexico convened a group of public safety experts to discuss strategies to curb crime in the state. Violent incidents involving firearms were on the rise, deaths due to fentanyl overdoses were reaching quadruple digits throughout the state, and cases of sex trafficking and forced labor were increasingly being reported to law enforcement agencies at an unprecedented rate.

Criminal activity is a common occurrence in New Mexico, similar to other parts of the United States; however, the group agreed that organized crime appeared to be an increasingly frequent factor in the commission of crimes within these categories. Most importantly, these experts agreed that the lack of coordination and communication among federal, state, local, and tribal law enforcement agencies was putting the state at a great disadvantage in dealing with the complexities of organized crime.

The proposed solution was to reinstate the New Mexico Governor's Organized Crime Commission, originally established by executive order in 1973 and legislatively enacted the following year, to combat out-of-state crime syndicates that were expanding their presence in New Mexico at that time. Although the Commission had become dormant by the early 1990s, it remained a formidable tool in New Mexico law enforcement's toolbox, a unique government agency created specifically to fight criminal enterprises by leading multi-agency efforts across multiple jurisdictions.

At the time of writing this report, it has been approximately 18 months since the Commission was reinstated and given the task of coordinating efforts with law enforcement in New Mexico and its surrounding states to combat organized crime in the areas of human trafficking, drug trafficking, and illegal firearms trading. During this time, and in carrying out such efforts, it has acquired a clearer understanding about the level at which the state has been infiltrated by criminal organizations.

It has become evident to the Commission that rather than these criminal activities being isolated and confined in silos, they are interconnected in varying degrees by the common thread of organized crime. That is, criminal organizations strategically use the same resources and infrastructure for multiple illicit activities. So, groups that provide logistical support such as safe houses, transport vehicles, and corrupt networks for drug smuggling are very likely to also use these assets to facilitate human trafficking and illegal gun trading.

This has been corroborated by the Commission's collaboration with federal law enforcement, including Border Patrol, Customs and Border Protection, and Homeland Security Investigations, as well as Mexican authorities. According to these sources, human smuggling has emerged as the primary revenue stream for cartels along our state's border with Mexico, yet this has not discouraged the involvement of these groups in drug trafficking. On the contrary, smugglers and traffickers exploit their clients and victims to transport narcotics across the border. They coerce them into carrying drugs as a form of payment for their services or conceal their drug mules within large groups of immigrants, thereby doubling the profitability of each operation.

On a related note, the Commission is investigating the arrival and criminal activities of the Tren de Aragua, a violent gang of Venezuelan immigrants, in New Mexico. This gang is notorious for smuggling a drug known as “tusi”, or "pink cocaine," which is a blend of substances including ketamine, MDMA, methamphetamine, and cocaine. The group uses the drug to keep its sex trafficking victims submissive and compliant, forcing them into prostitution with multiple customers daily once they are in the United States.

Fentanyl, a potent narcotic, has become a cornerstone in the value chain of international crime syndicates, notably the Sinaloa cartel and Cartel Jalisco Nueva Generación. This drug is manufactured using illegal precursors sourced from China, resulting in substantial profits for criminal organizations in that country alone. Additionally, it contributes to a wide range of criminal activities across the U.S.-Mexico border, extending beyond its smuggling, distribution, and consumption.

The introduction of fentanyl has had a devastating impact on New Mexico, resulting in thousands of overdose deaths since it entered the illegal drug market in 2015. This surge in fatalities has left families and communities dealing with profound grief and trauma, as they face the emotional and financial burdens of losing loved ones. The rise in fentanyl use among teens is particularly concerning, as its high potency poses a significant risk to inexperienced users, resulting in more overdose cases among young people.

The increase in fentanyl-related emergencies has also heavily burdened New Mexico's healthcare systems. Emergency departments and treatment facilities are often overwhelmed by the influx of overdose patients, which can divert resources from other critical healthcare needs. Additionally, the illegal fentanyl trade has led to increased crime and violence in the state, as

criminal organizations compete for control of the lucrative market, resulting in more criminal activities and violent incidents.

The economics of fentanyl has increased the cartels' profits exponentially. Unlike heroin, which requires a labor-intensive supply chain involving poppy farming and opium refining, fentanyl precursors are imported in small volumes on large freight vessels, making them nearly undetectable. These precursors are then mixed and pressed into pills by small teams in discreet home labs, capable of producing hundreds of thousands of pills daily at minimal cost. The compact size of the final product facilitates easy concealment across various transportation methods, and in the case of seizure, the low production cost minimizes financial losses.

Its widespread availability in New Mexico has led to an increase in property crimes, with addicts frequently turning to theft and burglary to support their habit. The drug is even used as a form of currency by criminal organizations, which compensate petty criminals and addicts to carry out retail crimes, thereby fueling extensive multimillion interstate and international fencing operations, and use it as a payment method to purchase guns from firearms dealers.

Contrary to popular belief, the influx of fentanyl into New Mexico primarily comes from Arizona and Texas, rather than from south of the state's border. The Commission's mapping of fentanyl routes reveals that New Mexico, particularly Albuquerque, serves as a distribution hub due to its strategic location at the intersection of I-25 and I-40, facilitating the drug's movement to other parts of the United States.

In addition to fentanyl, conventional drugs such as cocaine, methamphetamine, heroin and even marijuana continue to be smuggled through New Mexico ports of entry and other trafficking routes in the desert and along the border in urban areas. Federal and local law enforcement have reported the use of innovative smuggling methods by drug cartels such as drones and utility task vehicles.

Surprisingly, in New Mexico, marijuana also remains a highly lucrative source of income for organized crime, even after its recent legalization. Both domestic and international groups exploit regulatory loopholes to benefit from the cannabis industry, channeling illegal crops grown out of state and potentially laundering millions of dollars through recreational dispensaries serving as fronts for their operations.

In October 2024, the Organized Crime Commission, in partnership with local and state agencies, conducted an operation in Waterflow, NM, leading to the destruction of roughly 160,000

pounds of illegal cannabis. During the investigation, law enforcement uncovered evidence linking the illicit farm to the arrest of a Chinese-origin massage parlor owner in nearby Farmington, who faced charges of human trafficking and prostitution.

In collaboration with the New Mexico State Police, the Commission executed search warrants at two Cannabis Revolution Dispensary locations in Albuquerque in January 2024. These dispensaries were found to have ties to international organized crime and were involved in the distribution of unlicensed cannabis products. The search resulted in the seizure of over \$1 million worth of unlicensed products.



This nexus is important because ongoing investigations suggest that New Mexico's recreational cannabis industry may be a convergence point for transnational criminal organizations from Mexico and China. Although it is too early to draw definitive conclusions, this intersection is under scrutiny. It raises concerns, similar to those observed in other states, about potential collaboration between Chinese criminal organizations and Mexican cartels in New Mexico. This partnership could enhance the efficiency and profitability of their operations inside the United States, compounding their existing problematic association in fentanyl production overseas.



According to reports publicized by the Drug Enforcement Agency in recent years, Mexican cartels are increasingly collaborating with Chinese organized crime groups to launder and transport their illegal earnings from the U.S. back to Mexico. This partnership allows them to avoid the risks associated with smuggling large amounts of cash. The Chinese criminal organizations provide access to advanced financial networks and underground banking systems, facilitating this process.

Chinese money launderers have devised a sophisticated system, including wiring, cryptocurrency and even fintech for the swift and discreet global transfer of large sums. In the U.S., cartel operatives collect drug proceeds in cash and hand them over to Chinese money brokers. These brokers then sell the cash to Chinese nationals seeking to bypass China's dollar purchasing restrictions. Such transactions usually occur in major cities where both cartels and Chinese criminal organizations are active.

The brokers employ an underground banking network to move the money, utilizing a web of couriers and financial transactions that circumvent traditional banking channels. The cash is frequently exchanged for Chinese currency, which is then transferred to accounts managed by the cartels in Mexico. In addition to being efficiently conveyed the money reaches its destination already laundered and is funneled into the legitimate financial system through various methods, including investments in real estate, businesses, and other assets, complicating efforts by authorities to trace the funds' origins.

This partnership is mutually beneficial. The cartels receive their profits clean and returned to Mexico at a lower cost and risk than through the traditional cash muling methods. Meanwhile, Chinese criminal groups profit from the fees they charge for their services and gain access to large amounts of U.S. dollars, which are in high demand among wealthy Chinese nationals looking to move money out of China.

There is no evidence yet of this specific money laundering method occurring in New Mexico. However, substantial evidence links Chinese and Mexican criminal organizations in the state to larger cartels and syndicates based in major U.S. cities. This includes wire transfers and the physical transport of large sums of cash, which are likely to undergo the financial processes previously described once transferred to those cities.

In recent operations coordinated by the Commission targeting massage parlors presumed to be involved in human trafficking crimes in the Albuquerque Metro and in Farmington, at least a portion of the proceeds from their activities appear to be flowing to individuals and bank accounts

in California. Cash muling and money laundering by Mexican cartels is well documented in the U.S. How much of the total amount of money generated in New Mexico by illicit activities remains in the state and is funneled through ostensibly legitimate businesses is mostly uncertain.

Another highly lucrative activity in which criminal organizations utilize multi-purpose routes and infrastructure is the trade of firearms. These weapons are mostly used by the cartels to enforce their routes and territories, often fueling gruesome violence against civilians in Mexico and in Central and South America. The Mexican government estimates that 70% of firearms involved in cartel-related shootings originate from the United States. Mexican partners of the Commission have consistently voiced this concern and requested help in intercepting these firearms before they cross the border.

Many of these guns, however, never leave New Mexico and are used by criminal organizations. The widespread availability of firearms enables these groups to impose violence or its threat on rival organizations, law enforcement, and even their own members, often resulting in violent incidents. In 2023, New Mexico faced a troubling surge in gun violence, with nearly 1,200 deaths, including 300 minors, linked to firearms.

Turf wars among street gangs over control of drug retail markets have significantly contributed to the rise in gun violence across the state, particularly involving minors recruited by criminal organizations exploiting gaps in the juvenile justice system. Homicides that would initially seem like personal disputes are frequently found, upon further investigation, to stem from failed drug transactions, rival gang score-settling, or drug-induced violence, among other reasons directly linked to organized crime.

Illegal activities committed by criminal organizations in New Mexico, once the Commission became inactive in the mid-1990s, were primarily treated as isolated incidents rather than interconnected crimes. This method was ineffective in addressing these groups as criminal enterprises. When a legally established company systematically engages in illegal activities, targeting individual employees rarely stops the company from continuing these actions. To cease such illegal activities, authorities typically pursue the company's leadership, scrutinize their financial records, and have the authority to revoke the company's charter until the organization is completely disbanded. An effective organized crime strategy should adopt a similar approach.

The sophistication of crime syndicates in the United States has reached a level where a single agency, whether state or federal, finds it nearly impossible to disrupt them, let alone

dismantle them. To effectively challenge these multinational, multibillion-dollar operations, a coordinated multi-agency approach is essential. This requires one agency to lead and coordinate efforts across various fronts. The creation of the Organized Crime Commission addresses this need, and it must be equipped with the necessary resources to succeed. This includes a substantial budget, skilled personnel, advanced equipment, and, crucially, clear authority from the highest levels of New Mexico's government. This authority should direct all law enforcement agencies under its command and encourage cooperation from those outside its jurisdiction to fight these criminal organizations.

This report outlines the efforts of the New Mexico Governor's Organized Crime Commission in the past year to tackle criminal organizations within the state. Despite facing challenges such as limited resources and a small team, the Commission has effectively disrupted criminal activities. This success is attributed to the full utilization of statutory tools and the establishment of trust with law enforcement agencies at federal, state, local, and tribal levels, within the state, with our neighboring states and abroad.

Readers are encouraged to imagine the potential impact if the Commission were fully funded and empowered. Organized crime has deeply infiltrated New Mexico's society, gaining significant power. However, the past year has revealed that these organizations have become overconfident due to decades of operating with impunity, which is their weakness. By uniting under the Commission's leadership, there is still an opportunity to eliminate organized crime from New Mexico.

### III. **Human Trafficking in New Mexico**

#### A. Scope of the Problem

Human Trafficking has become one of the worst humanitarian issues our state is currently facing. Migrants seeking a different life from different parts of the world are exploited by the thousands, both in labor and sex trafficking. Furthermore, the varying degrees of abuse endured by these migrants have made this problem even more difficult to combat, particularly from a legal standpoint. While some groups of migrants are being tortured and raped as part of the process of being brought into the United States by cartels, others are just told where they will live, work, and are still allowed access to their phones and the majority of their earnings. However, we have found that despite the varying degrees of coercion and force against the migrants, we have yet to find a migrant who was brought over by a Human Smuggling Organization (HSO), permitted to only pay

the agreed fee, and was then allowed to live freely, working and residing however and wherever they choose. Just the process of entering the United States using an HSO is dangerous; hundreds of migrants die every year along New Mexico's southern border because they are starved, given minimal water, and forced to walk over thirty miles in the desert sun before they are picked up. Once they are here, they are transported to stash houses all over the state, before being distributed throughout the country. Cartels treat migrants more like cattle than people, sending them wherever they believe they can exploit the migrants the most. Because of the profitability of human trafficking for the cartels, stash houses are found statewide, in neighborhoods both affluent and impoverished alike. There are some intelligence sources that currently indicate Albuquerque has more stash houses than any other city in the United States. Human Trafficking has now become a form of modern-day slavery, and we should be combatting against this terrible practice with every effort we can muster.

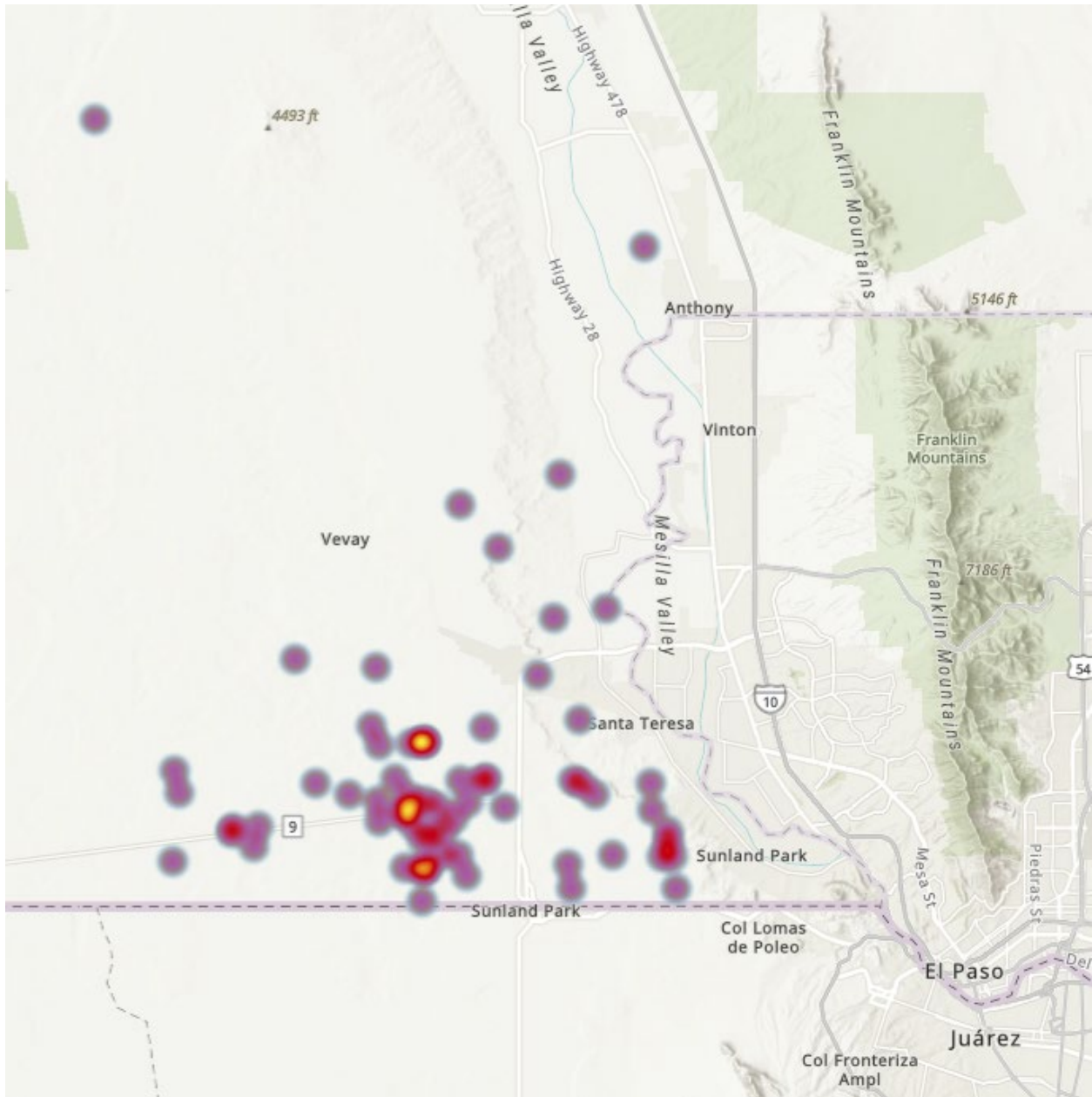


Figure 1- Migrant Deaths in 2024 Along NM Border as of August

## B. Efforts Against Human Trafficking

Perhaps the Commission's greatest success of 2024 has been Operation Disruption. Since the OCC was reinstated last year, we have worked tirelessly to not only understand the scope of organized crime in New Mexico, but also unify law enforcement agencies to fight back. This effort culminated in Operation Disruption, where over 20 agencies, federal, state, interstate, and international, came together to disrupt human smuggling and human trafficking organizations

along the southern border. Recognizing the weaknesses in our state laws, we focused on disrupting cartel routes and movements, with the intent of saving lives. We were very successful in doing so: Over the course of the two-part operation, over 200 migrants were rescued from the HSOs, dozens of stash houses were disrupted, and over 2,000 traffic stops were made. While several federal charges were brought, not a single trafficker was able to be charged with state human trafficking. However, lives were saved as part of this operation. For example, New Mexico State Police came upon a group in the desert that included a woman with an internal temperature of 105 degrees. New Mexico State Police began administering first aid immediately and transported her to the nearest Border Patrol Station to bring her temperature down. The woman's life was ultimately saved, and she made a full recovery after being in a coma for several days.



This operation has also borne fruit for ongoing investigations and cooperation between agencies. Border Patrol has informed the OCC that the number of HSOs operating along the

southern border has gone down significantly since the operation was executed, the lowest the activity has been in a decade. As a result, Border Patrol has been able to operate far more effectively, both in enforcement and rescue efforts. Additionally, this operation allowed law enforcement agencies to seize numerous phones and discover links between the HSOs along the border and their stash houses in Albuquerque. Because of this operation, the OCC has been able to better understand the very convoluted process of human trafficking: one group is responsible for housing migrants in Mexico, another group takes the migrants to the United States border, another group receives them and transports them to an initial stash house in southern New Mexico, a driver then transports the migrants to Albuquerque, and finally a different group running the stash house receives them in Albuquerque before the migrant is sent somewhere else in the country. This has two effects: 1) There are many opportunities for migrants to be exploited along the way by different groups; and 2) Arresting one person involved in the chain does not necessarily reveal the entire criminal organization because no single person in the normal process knows the logistics of the entire operation. However, we have been working closely with Border Patrol Intelligence and Homeland Security Investigations to track down the links in the chain. As result, we have successfully disrupted several stash houses in Albuquerque as well, stopping the HSOs before they can send migrants to other parts of the country. For example, working with Border Patrol, we identified a stash in house in Albuquerque linked to smuggling children across the border. As a result, we were able to detain two individuals that were running the child smuggling ring out of Albuquerque but were using a network of mobile homes to move the children across the state. Finally, because of our understanding of these networks, we successfully thwarted a kidnapping that was taking place over the border by coordinating with Chihuahua Department of Public Safety. Three victims were rescued as a result.

As OCC has become trained in disrupting human trafficking, we have begun pursuing investigations into sex trafficking massage parlors. While this is an issue statewide, we have been working closely with Albuquerque Police Department to shut down illicit massage parlors in Bernalillo County to begin with. These parlors typically use women who are sex trafficked from China and travel from California. They often do “tours” of 30 days to several months before they are paid out an agreed upon amount. Conditions of freedom often vary with cell phone usage, passport access, and living on-site versus off. Many of these women have been victimized and conditioned to work in these environments, and therefore do not see themselves as victims of sex

trafficking. As such, we have had a difficult time gaining victim cooperation and identifying the victims from the “mama sans” (the females that are sex workers themselves but are responsible for running the location.) Organizationally, these massage parlors are overseen by suspects outside of New Mexico, such as California or Oregon, who run their sex trafficking operation similar to a legitimate business franchise. However, working with the Albuquerque Police Department, we have been able to shut down ten locations and seize approximately \$90,000 in cash. We have several pending cases prosecution out of the 2<sup>nd</sup> Judicial District Attorney’s Office. Additionally, the OCC director has been appointed as a special prosecutor for a massage parlor case in Farmington, New Mexico, that has allegations of kidnapping. We have already met, and continue to meet, with other law enforcement agencies, Victim’s Rights’ groups, and federal agencies, to work on strategies to subvert sex trafficking through prostitution. If we are given funding and resources in the upcoming fiscal year, we intend to expand our operations to encompass more criminal organizations and assist more law enforcement agencies throughout the state grappling with this problem.

#### **IV. Gun Trafficking in New Mexico**

The crime stemming from gun violence has been an issue across the country, and New Mexico is no exception. Firearms are readily accessible to felons and teens alike, with some information indicating that a teen can use an app to acquire a stolen firearm in two hours or less. Handguns are now easily modified with small parts that can be 3D printed, converting semi-automatic pistols into fully automatic machineguns. This abundance of firepower is being utilized by gangs and other criminal organizations that act as enforcers for cartels, such as Tren De Aragua (TDA), which has created an uphill battle for lawmakers and an outright dangerous situation for police officers. Areas in New Mexico, such as Bernalillo County, have reported a slight downtick in homicides compared to last year but crimes committed by juveniles with firearms is higher than it has ever been. And because juveniles seem to be so interested in acquiring stolen firearms, the black market for stolen firearms is booming, with citizens of New Mexico paying the ultimate price.

Members of the OCC have become increasingly aware of the availability of firearms for the commission of crimes and asked staff to investigate this matter further. The investigation led to the same conclusion that many law enforcement agencies have come to; messaging apps such



as Telegram have allowed a black market of firearms, as well as narcotics, child pornography, child prostitution, and other illicit markets, to thrive. These apps exist under the auspices of free speech, touting “end-to-end” encryptions for communications and flagrantly disregarding any orders from courts or warrants from law enforcement authorities. And until the very recent arrest of Telegram CEO Pavel Durov, they have been able to conduct themselves without facing any consequences. Applications such as Telegram are also making a profit from these thriving black markets, making the majority of their money from membership fees that unlock the features of encrypted communications. This only motivates companies such as Telegram to turn a blind eye to the rampant crime occurring through their apps while they make money off the lawless haven they have created. However, stopping these apps from operating in New Mexico is far more easily said than done.

Given the reputation of the Telegram app, OCC began reaching out to law enforcement agencies throughout the state to verify the company’s disregard to law enforcement’s requests. Indeed, OCC and the New Mexico Department of Justice were unable to confirm a single instance of Telegram cooperating with a warrant or court order. Telegram’s own policies, before being updated in October 2024, boasted of only willing to comply with law enforcement in the event that there is a court order identifying a suspect as a “terrorist.” Telegram has since updated its policies to say they will comply with legal requests from law enforcement agencies or court orders, but it does not provide a method of contact or service. OCC approved and submitted a court ordered subpoena to have a Telegram designee appear before the Commission and answer questions. However, Telegram never responded to the request or acknowledged its receipt. OCC utilized several forms of electronic service and known contact addresses to properly serve Telegram, but never received a response. Additionally, Telegram has made itself intentionally unavailable for actual service, shuttering its places of businesses in the United States and United Kingdoms and seemingly only keeping an actual office in Dubai, United Arab Emirates. Therefore, OCC is contemplating further legal action against Telegram and intends to support legislation criminalizing the black market it maintains in New Mexico.

This black market is currently being utilized by gangs in New Mexico. The landscape of gangs in New Mexico has changed significantly in the last decade. No longer bound by geographic restraints and claiming territory, gangs now form online, using common interests to form groups.

This makes the organizations more difficult to define and identify. Credibility is still often gained through criminal actions, but the criminal conduct is now posted online, seeking approval from colleagues on social media. That being said, some traditional gangs in New Mexico have persevered, whether through familial legacy or through formation in the prisons, where social media is less accessible. And regardless of how its formed, gangs continue to be significant drivers of crime in New Mexico because of their violent conduct and illicit activities. Because of this, OCC has been working closely with the Federal Bureau of Investigations (FBI), continuing to participate in operations and takedowns of dangerous gangs throughout New Mexico. In 2024, agents for the OCC have assisted the FBI with operations against Brewtown Locos and Los Padillas, both traditional gangs that are responsible for a significant amount of crime in New Mexico over the years. We have also assisted in navigating the gaps between state and federal prosecution, helping cases that are declined at the federal level find their ways into the local district attorney's offices. We have also helped FBI agents with meetings and trainings to better understand the procedural differences required for state prosecution, compared to federal prosecution.

Additionally, OCC special agents have spent a significant amount of time evaluating and opening investigations against TDA. Latin American capitals and rural areas suffer from high rates of violence by increasingly sophisticated criminal crews. This is perhaps most prevalent in Venezuela, where the state itself perpetuates illicit activities and works alongside, not against, groups such as TDA. What was originally a prison gang from the Venezuelan prison of Tocarón, TDA has now expanded into an international criminal organization, penetrating as far as Europe with ties across the entire United States. TDA is an organization of opportunity, often operating quietly from seemingly innocuous businesses such as food trucks while running extortion rings. They also tend to prey primarily on Venezuelan migrants, where they establish their local foothold before expanding into greater criminal endeavors. As such, they are extremely difficult to identify and even harder to stomp out. However, we have worked closely with federal law enforcement agencies locally and nationally in order to understand the threat and unify law enforcement efforts against TDA. Specifically, Special Agents with OCC have worked on kidnapping and human trafficking cases against TDA in Bernalillo County. OCC staff has also helped establish a broader strategic threat understanding with Border Patrol Intelligence, HSI, and FBI. As we have learned the nuances of identifying TDA's tactics, we have identified several hot spots of criminal activity in Bernalillo County and opened investigations to move against them. These cases are still pending.

## V. Drug Trafficking in New Mexico

In New Mexico, and nationwide, fentanyl continues to be the most dangerous narcotic we are grappling with today. Tens of thousands of people across the country have continued to die from overdoses of fentanyl and New Mexico has yet to implement a statewide plan to address this issue. At a local level, Albuquerque Police and the 2<sup>nd</sup> Judicial District Attorney's Office have reported that fentanyl is responsible for the majority of drug-related crime. Additionally, organizations such as the High Intensity Drug Trafficking Assessment (HIDTA) have continued to caution state leaders with their annual report and provide New Mexico law enforcement agencies the resources they need to police drug trafficking more efficiently. However, without a cohesive strategy, our state, as well as many others, has yet to curb this threat.

By contrast, Transnational Criminal Organizations (TCO) are largely unified in their approach of manufacturing and distributing fentanyl in the United States. Cartels have a strong presence in Mexico, controlling large areas of land where fentanyl is created from raw materials and pressed into pills by the hundreds of thousands. Routes into the United States are established and utilized, typically circumventing U.S. Ports of Entry (POE) by evasion or overwhelming POEs that are understaffed. This allows TCOs to then establish supply hubs in New Mexico, namely Albuquerque, where they can then make use of interstate systems to distribute fentanyl to the rest of the United States. TCOs are able to accomplish this because they largely *work together*. Given their interest in making money, these groups often form business alliances, offering benefits to one another so that all groups involved make a profit. For example, the cartel La Linea is known to create seemingly legitimate businesses in order to conceal fentanyl transportations among legitimate imports. They have also partnered with the New Generation Jalisco Cartel, acting for all intents and purposes as a distributor for New Jalisco's cocaine and methamphetamine. We are not up against groups of street gangs fighting for control of the local block. These organizations are more like a massive, dangerous, criminal corporations, focused on making profit and eliminating or circumventing obstacles that stop them by any means necessary.

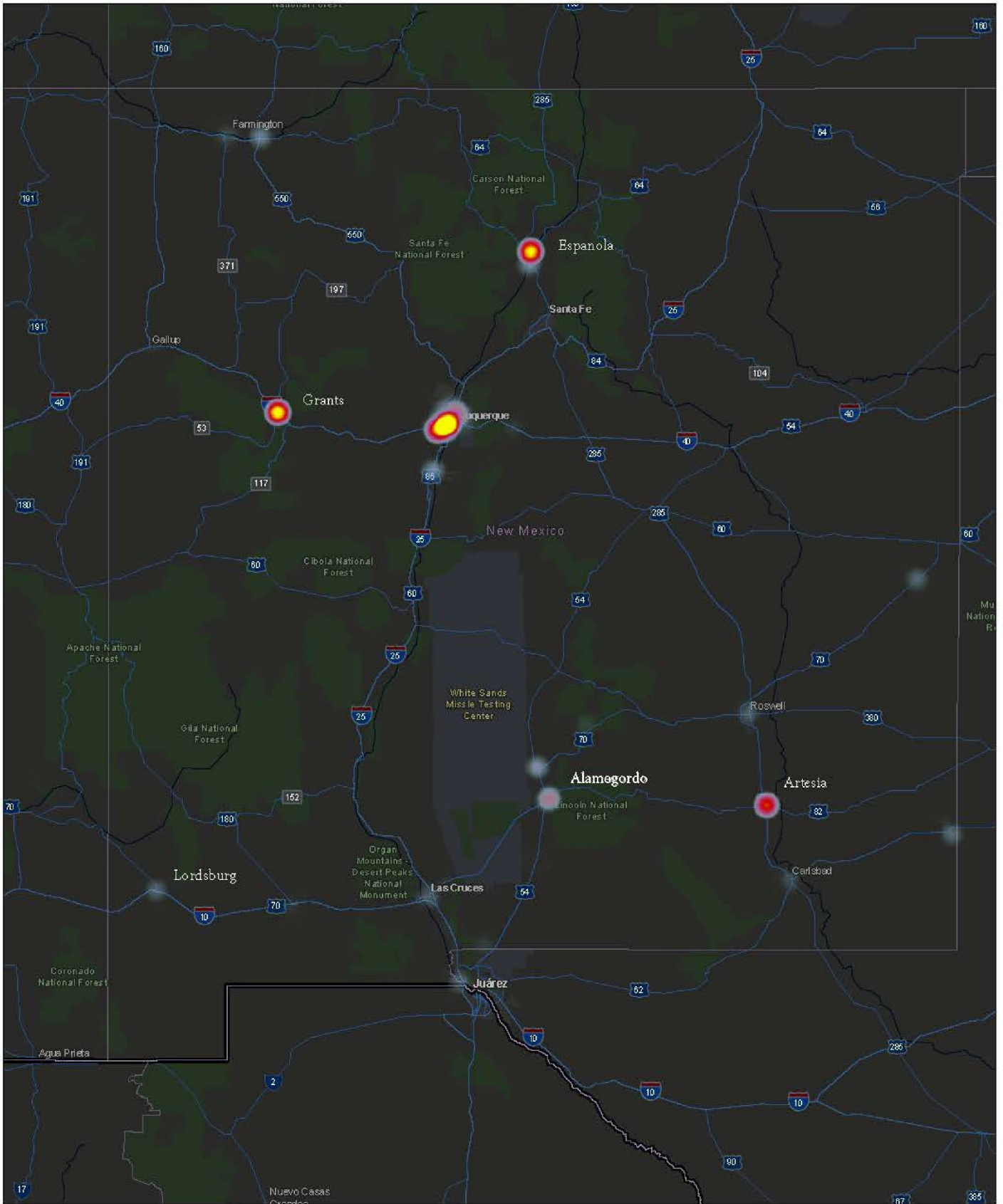
TCOs are also taking advantage of New Mexico because of the opportunity to exploit our state for the purposes of trafficking cannabis. With the legalization of cannabis, the lack of enforcement authority given to the New Mexico Cannabis and Control Division (CCD), and the almost guaranteed process of receiving a license when a person applies, New Mexico has become

a haven for TCOs to grow cannabis. Our large area and natural geography make it ideal to grow without the risk of detection, even if a license is revoked. Pop-up events have also been springing up all over Albuquerque and other places in the state, where sellers without a license are selling unregulated cannabis freely. Finally, there have been allegations that TCOs and cartels have been strong-arming legitimate businesses into selling illegal cannabis laundered into their inventory from out of state. While the Cannabis Regulation laws were updated this summer, the state agencies have an uphill battle ahead of them to stamp out the illegitimate entities that have taken root in New Mexico since the legalization of cannabis.

A. Efforts Against Fentanyl Trafficking

As the OCC has been analyzing the greater problem of fentanyl flow into New Mexico, two contradicting scenarios emerged. One possibility is that our southern border has been flooded with fentanyl trafficking and the lack of policing along the border that has led to the influx of fentanyl into New Mexico. The second, and increasingly more likely scenario, is that TCOs are aware of the resources along the border and have mostly circumvented POEs entirely, entering New Mexico from Arizona and Texas, after evading law enforcement in other locations of the United States. The OCC deduced that if we identified where the largest loads were being seized and overlaid that against where the cheapest fentanyl prices were, the fentanyl routes would become clear. We first began by identifying where the largest loads were seized in the last nine months, indicated in the following map:

# Fentanyl Seizures

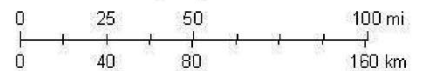


## Significant Seizures

### Seizure Volume



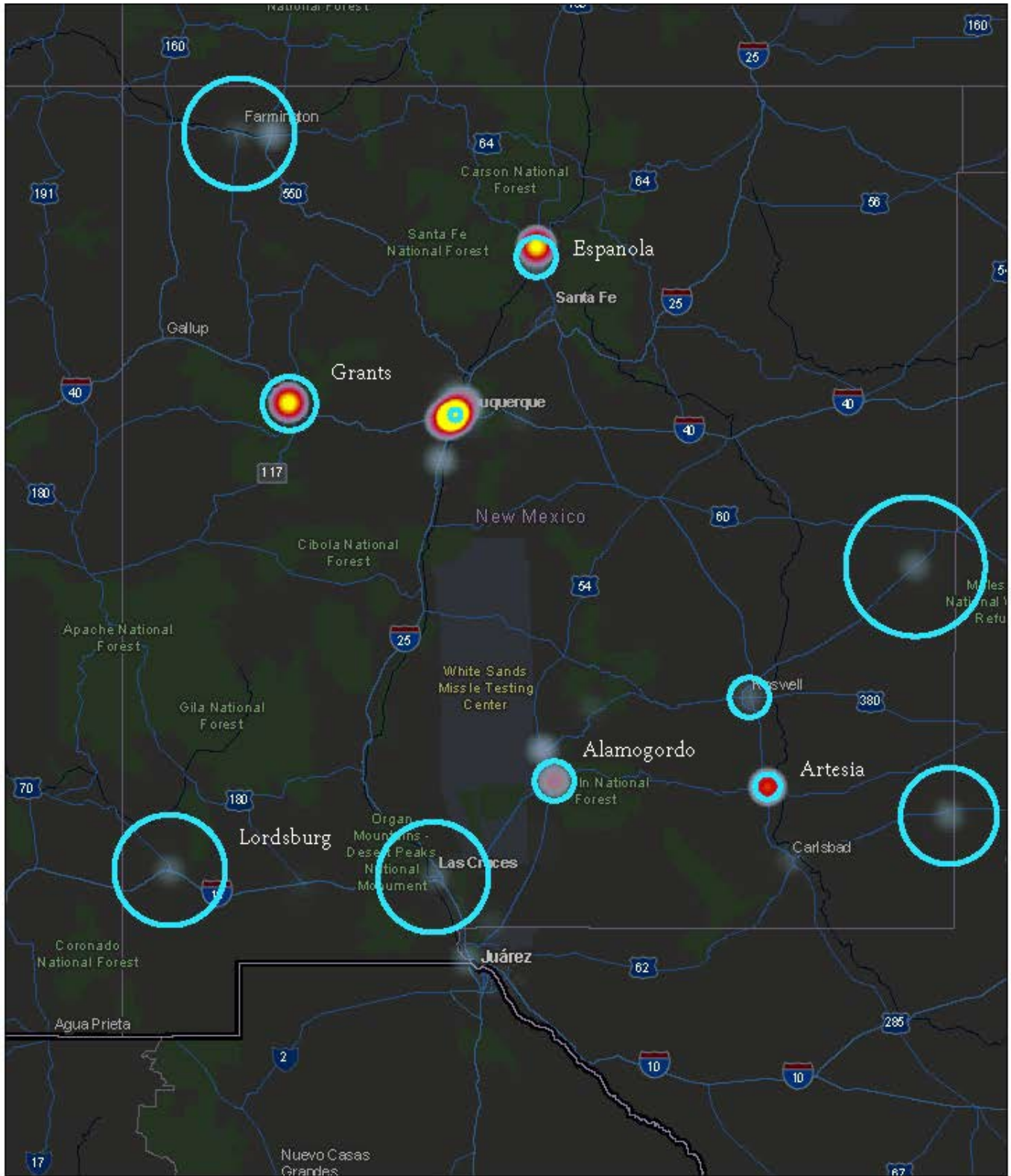
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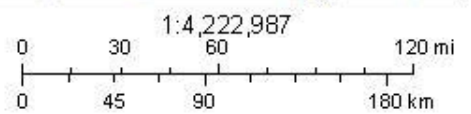
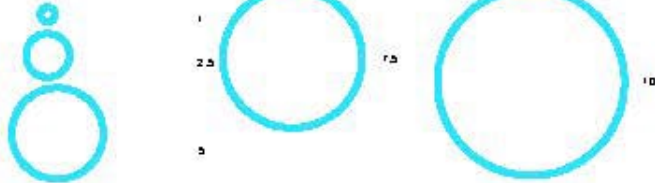
Texas Parks & Wildlife, Esri, TomTom, Garmin, FAO, NOAA, USGS, Bureau of Land Management, EPA, NPS, USFWS

This map was created using significant seizure data from the first part of 2024. The data only reflects seizures of 1,000 pills or more, with the idea of eliminating anything that would only be for purposes of personal use. The above heat map is also weighed by the actual volume of the respective seizure, not merely the frequency of the occurrence. This was an attempt to focus on where the “major loads” are being seized and not merely indicate where the largest population density of the state is. It was our theory that if we could examine where major loads were coming through and overlay that with the prices of fentanyl pills, we would have a better understanding of fentanyl routes because large, constant supplies of fentanyl should indicate lower prices:

# Price Per Pill



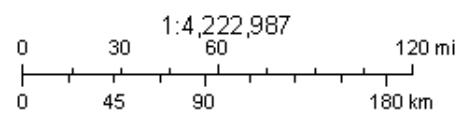
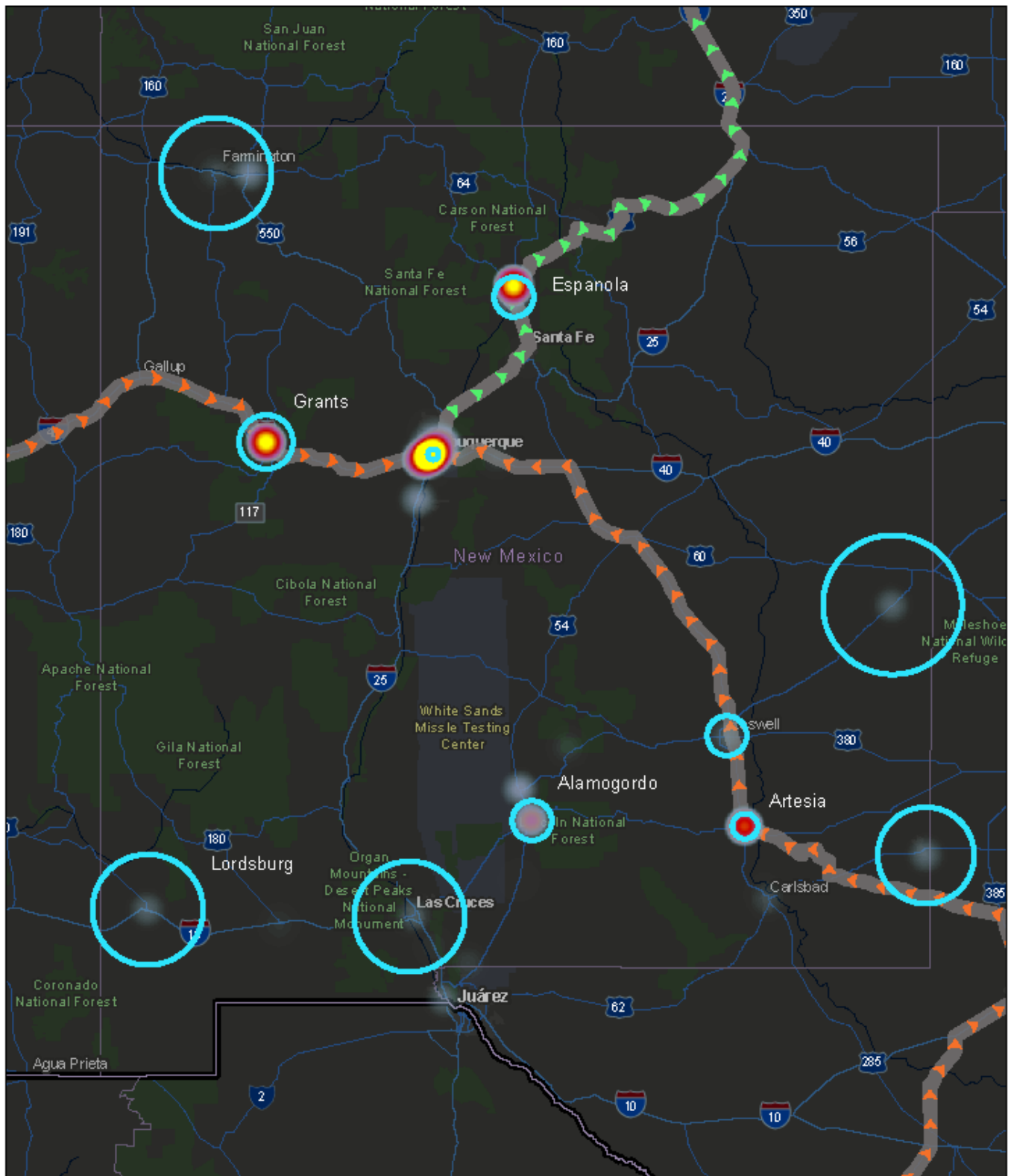
NM Price Per Pill 2024



The pattern now begins to emerge, indicative of exactly what we assumed: the greater the supply, the lower the price. Areas such as Las Cruces and Lordsburg have the highest prices per pill, allowing us to assume that there is less fentanyl available in those locations. However, Grants, Albuquerque, Espanola, and Artesia have the lowest prices of fentanyl (and the highest focus of major loads seized.) If we connect these cities using to the geographic sources from outside the state, based on what makes the most sense geographically and our international and interstate intelligence sources, the fentanyl routes become clear:

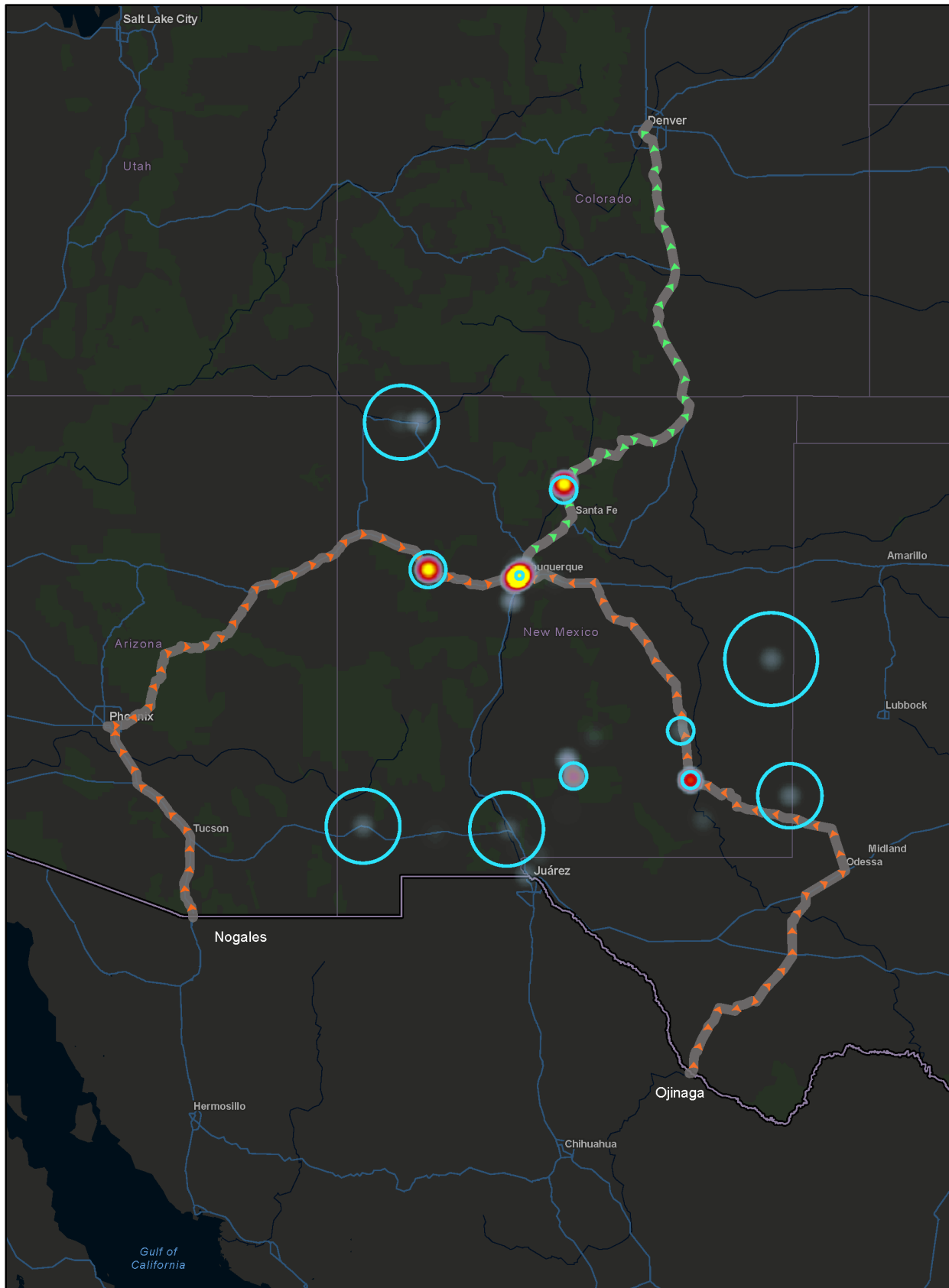


# Fentanyl Seizures and Routes

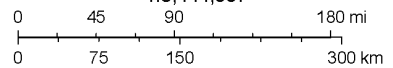


The main route of fentanyl into New Mexico appears to be along Interstate 40 (and its byways) from Arizona. Albuquerque is then used as a hub, where fentanyl is then distributed northward into the rest of the country. This route takes it through Espanola, an area well known for its issues with fentanyl. However, a secondary route is coming into New Mexico from west Texas, along Highway 176. This route is a logical choice, as it allows drug traffickers to avoid any border patrol checkpoints along the southern part of the New Mexico border. Fentanyl traffic along the southern border in cities such as Alamogordo and Las Cruces, are also likely supplied from this route, given the cheaper prices and larger seizures in Alamogordo compared to Socorro or T or C. These routes also make sense, given our intelligence indicating Nogales and Ojinaga as major sources within Mexico responsible for fentanyl coming into the United States:

# Southwest Fentanyl Seizures and Routes



1:5,444,907



Esri, TomTom, Garmin, FAO, NOAA, USGS, EPA, USFWS

We know from our partners that Nogales is major hub for trafficking fentanyl. We also know that the area of Ojinaga is currently being contested by the cartels because of its value as a producer of fentanyl. Our sources have indicated Odessa as a major hub of drug and human trafficking in Texas. Therefore, these routes make the most logical sense, given the information and the data. If given funding and resources, we would like to analyze this data further, in order to establish specific mile markers and temporal patterns that would allow law enforcement to have targeted patrols. We believe that this first step is crucial in curbing the flow of fentanyl into New Mexico, and given the opportunity, we would like to continue to pursue this line of analysis.

#### B. Efforts against Cannabis Trafficking

Special Agents with the Organized Crime Commission began working with New Mexico State Police, Bernalillo County Sheriff's Office, and the Cannabis Control Division last year. We were approached by several agencies as it came to our attention that TCOs were taking advantage of the legalization of cannabis in New Mexico and opening illicit shops and starting illegal farms here. This has led to two significant investigations this year. However, both investigations are still ongoing and given the availability of this document to the public, we will only share limited details at this time.

The first investigation led to the closure of Golden Roots in Bernalillo County. Working with New Mexico State Police, OCC special agents executed a search warrant when we received allegations that it was tied to cartels. We have received information that there are several dispensaries throughout the state that are seemingly legitimate but are actually strong-armed into operating for the cartels. Golden Roots was one of the locations we received this information on. Golden Roots had their license to operate revoked by Cannabis and Control but continued to operate anyway. OCC and New Mexico State Police seized over a million dollars' worth of illegal

product from the storefront, found a hidden lab where illegal cannabis was being processed, and have found that hundreds of unlicensed cannabis transactions occurred. This case will be referred to the 2<sup>nd</sup> Judicial District Attorney's Office for prosecution.

OCC played a major role in an additional case in San Juan County. A large grow was located just off Highway 64 between Farmington and Shiprock. Irving Lyn had a license to grow 500 plants, however he had tens of thousands of plants at this location and a smaller house nearby. Lyn had a history cannabis trafficking, picking up other criminal charges outside of the state this year and having ties to a larger criminal network based out of California. CCD successfully revoked Lyn's license, but he continued to grow the cannabis on the large farm. Given the sheer size of the illegal grow, OCC assisted in navigating the logistical and legal strategies in order to stop the illegal and hazardously grown product from being processed. OCC assisted with the execution of the initial search warrant for criminal charges, where documents were found indicating a link between labor trafficking for cannabis grow sites and sex trafficking in illicit massage parlors throughout the state. CCD prevailed on the injunction against Lyn, allowing New Mexico State Police to assist in the destruction of approximately 160,000 pounds of illegal cannabis (roughly \$170 million dollars' worth of illegal product.) At the time of the execution of the arrest warrant, this was believed to be one of the largest illegal cannabis farms in North America.

## VI. Recommendations

The OCC has continued to establish its role unifying law enforcement agencies across the Southwest region, traveling to both Mexico City and Washington D.C. this year. Our efforts have been fruitful; we have had successful operations that have been initiated by OCC special agents and we have been able to continue to support law enforcement agencies in their efforts against organized crime. Accordingly, we once more request funding to not only pay for our staff, which

is currently funded through the 2<sup>nd</sup> Judicial District Attorney’s Office, but expand our team, so we can take greater strides towards public safety in New Mexico. OCC has requested a special appropriation of approximately \$4.5 million dollars to cover Fiscal Years 2026 and 2027. This would allow OCC to fund 10 full-time employees which would include a director, special agents, and intelligence analysts. This would also allow OCC to purchase vehicles, law enforcement equipment, and cover travel expenses, given that travel such a vital part of the OCC’s duties.

We are also once more recommending a change to the current New Mexico Human Trafficking statute. As we reported last year, provability is difficult because of limited verbs, a narrow definition of coercion, and inconsistent definitions of what a minor is for purposes of sex trafficking. Currently, it is nearly impossible to proceed on prosecution for these cases without victim participation. And because victims are understandably fearful of law enforcement by the time we reach them, whether because of past experiences with law enforcement from their home countries or the fear of deportation, we rarely have victim cooperation in these cases. Broadening the verbs and definitions should make this easier because it would allow for officer observations to serve as the main evidence at trial. Additionally, penalties for trafficking humans are lower than penalties for trafficking cocaine:

| <b><u>Victim Age</u></b> | <b><u>Current Penalties</u></b> | <b><u>Proposed Penalties</u></b> |
|--------------------------|---------------------------------|----------------------------------|
| <i>Adults</i>            | 0-3 years (Third Degree)        | 0-9 years (Second Degree)        |
| <i>Under 18</i>          | 0-3 years (Third Degree)        | 18 years (First Degree)          |
| <i>Under 16</i>          | 0-9 years (Second Degree)       | 18 years (First Degree)          |
| <i>Under 13</i>          | 18 years (First Degree)         | 18 years (First Degree)          |

We are currently working with legislators to introduce a bill similar to House Bill 116 from the Regular Legislative Session of 2023 to address these shortcomings in the law. We posit that these

amendments would have allowed law enforcement to bring charges of human trafficking against dozens of individuals throughout our operations and investigations this year.

We also recommend supporting other legislation that should help subvert organized crime in New Mexico. At the time of this report, we understand that legislation updating the Children's Code is being proposed. Given the nexus between gangs, juveniles, and the firearm black market, we intend to support this legislation. We also intend to support proposed legislation against the "switches" used to modify handguns. While these firearm mechanisms are currently illegal under federal law, the influx of cases has caused a significant portion of these cases to go uncharged, because the United States Attorney's Office has been unable to prosecute them. Therefore, a state law would allow us to fill the gaps in prosecution, enabling law enforcement to go after both distributors of these mechanisms and customers of them.

OCC is also once more recommending the establishment of a new intelligence center (or a reorganization of the current one), run by the New Mexico Department of Public Safety. The state is currently lacking a centralized intelligence center that is authorized to conduct investigations. As such, the current fusion center is administratively hamstrung, unable to effectively carry out the mission it has been tasked with because it currently falls under the Department of Homeland Security, not a law enforcement agency. While this allows the current fusion center to effectively evaluate infrastructure threats from a terrorist perspective, it does not allow analysts to actively sit in law enforcement spaces and work hand in hand with other agencies for the purposes of active criminal investigations. Establishing a fusion center with the Department of Public Safety would solve this issue, and could be done in conjunction with Department of Homeland Security. This endeavor would also align with New Mexico State Police's "Intelligence-Led" policing initiatives.

And should this new fusion center come to fruition, OCC would be best suited to unify and coordinate intelligence efforts statewide, given our statutory duties and mandate.

While we have found that law enforcement agencies and prosecuting offices are working hard to keep New Mexico safe, we continue to be disjointed in our endeavors. By contrast, the cartels and other TCOs are making significant profits by taking advantage of our current lack of intelligence. These organizations are sophisticated and are currently operating at professional levels with robust technology that is still confounding our law enforcement agencies. The only way to thwart their incursions into the state is by working together and combining our efforts under a singular umbrella.