



U.S. Department of Justice
Drug Enforcement Administration



The Illegal Drug Threat in Indiana

DEA Intelligence Report
SEPTEMBER 2024



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Executive Summary

The most significant drug-related threat to Indiana is posed by Mexican drug trafficking organizations (DTO), particularly the Cartel de Sinaloa (CDS) and the Cartel de Jalisco Nueva Generación (CJNG). Mexican DTOs dominate the wholesale supply of illicit opioids (both fentanyl and heroin), cocaine, methamphetamine, and Mexico-grown marijuana in the state. The opioid threat remains dire and is of grave concern. Reporting from the Drug Enforcement Administration's (DEA) offices in Indiana, forensic laboratories, and public health officials confirms that fentanyl has almost completely replaced heroin in the illicit opioid marketplace throughout Indiana. The availability and use of cocaine and methamphetamine are increasing, with seizures increasing and prices decreasing for both. Fake pills manufactured both domestically and outside of the United States are an increasing threat in the illicit drug market. Large volumes of illicit proceeds are laundered throughout the state. While the movement of bulk currency from Indiana to the Southwest Border (SWB) remains the primary method of sending drug proceeds back to Mexico, DTOs increasingly are making use of money transfer tools on the open internet and dark web to launder their illicit proceeds.



MEXICAN DTOs
DOMINATE THE
WHOLESALE SUPPLY OF
ILLICIT OPIOIDS

(U) Figure 1. Chicago Division Area of Responsibility

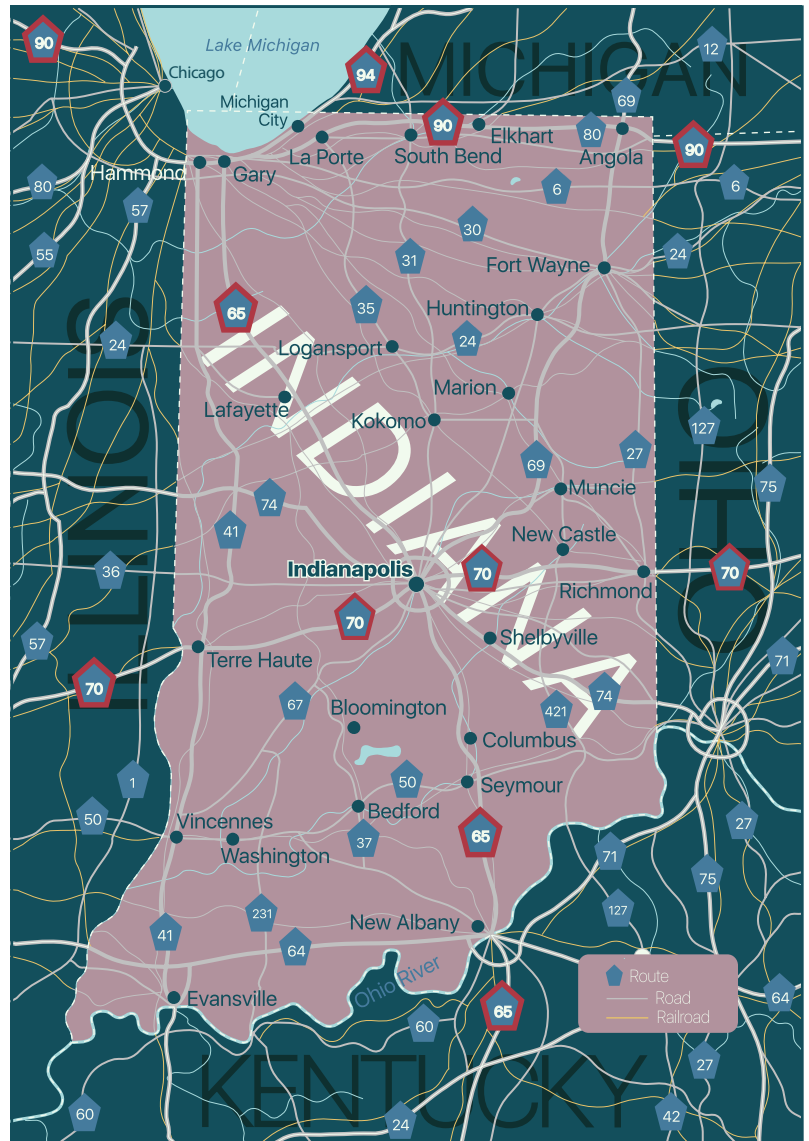


Source: DEA

(U) Indiana is the 38th largest by area (36,418 square miles) and the 17th most populous (6.8 million) of the 50 United States. It is divided into 92 counties and two U.S. Judicial Districts, Northern and Southern. Within Indiana, DEA maintains five offices: the Indianapolis District Office (DO), Terre Haute Post of Duty (POD), and the Evansville Resident Office (RO) in the Southern District, and the Merrillville DO and the Ft. Wayne POD in the Northern District. DEA also maintains one enforcement group in the Indiana High-Intensity Drug Trafficking Area (HIDTA). A DEA Intelligence Supervisor manages the HIDTA Investigative Support Center.

Details

The primary drug trafficking threat to Indiana is posed by Mexico-based DTOs, particularly CDS and CJNG, whose members have close ties to street gangs operating mostly in the northwestern portion of the state. These Mexican DTOs dominate the wholesale supply of fentanyl, heroin, cocaine, methamphetamine, and Mexico-grown marijuana in the state. The drugs are transported either directly to distribution hubs in Indiana or to Chicago, Illinois from strategic points across the U.S.–Mexico border, and subsequently distributed to cells operating across the state. DTOs use a variety of transportation methods, including vehicles outfitted with concealed compartments, or co-mingled with commercial goods, such as produce or furniture. However, the most common transportation method remains by land via tractor-trailer trucks or personal vehicles. The state’s extensive highway, train, and mail and parcel delivery services make it an ideal transportation hub to move drugs from the SWB to markets throughout the Midwest. Indiana’s highway system, particularly Interstates (I) 65, 70, 90, and 94, also facilitates the transportation of drug proceeds (bulk currency) back to the SWB for further transportation into Mexico.



Fentanyl

Fentanyl and fentanyl-related substances (FRS) pose the biggest drug threat across DEA’s Chicago Division (CD) and in Indiana. Availability has increased steadily over the last several years, as evidenced by increasing seizures, overdoses/poisonings, and deaths. The continued practice by DTOs of adulterating other drugs with fentanyl has led to a surge in overdoses/poisonings over the last several years, as users inadvertently consume a dangerous dose of fentanyl. Demand remains high, with continued seizures of fentanyl in both powder and pill form. As the demand for fentanyl has steadily increased in recent years, the price of fentanyl has decreased. In 2018, the median price for a kilogram of fentanyl was around \$90,000; by the end of 2023, it was approximately \$30,000. Fake pills, manufactured to look like legitimate controlled prescription drugs (CPDs), are increasing in availability and popularity. Locally, drug distributors use pill presses to produce fake pills consisting of fentanyl, FRS, or other



Fake Pills

DEA has reported that seven out of 10 fake fentanyl pills contain a potentially lethal amount of the drug (2 milligrams). The DEA Chicago Division seized 1.9 million fake pills in 2023—twice the amount seized in 2022. The expansion of fake pill production domestically and the illicit sale of these pills via the internet represent a growing threat to the public, who may not be aware that prescription pills cannot be purchased legitimately via social media and that all of these fake pills likely contain fentanyl, methamphetamine, or some other clandestinely produced substance.

Source: DEA

dangerous drugs. Pill presses range from just under \$100 for a handheld press to several thousand dollars for automated presses and can be easily ordered over the internet. The ease of obtaining pill presses has created an increase in variations of drug compounds appearing in pill and capsule form.

Heroin

Increasingly, heroin is becoming interchangeable with fentanyl. Some seizure and availability reports are inconsistent, due to the uncertainty of whether law enforcement is encountering heroin or fentanyl, or both. Law enforcement officers have reported that sellers and users may not necessarily distinguish heroin from synthetic opioids in their sales and purchases. Heroin demand remains high at user levels; however, decreasing seizures of heroin indicate decreasing availability.

Methamphetamine

The dangers of methamphetamine continue to rise throughout the state, as availability increases and prices decrease. According to the 2023 Indiana HIDTA Threat Assessment, methamphetamine was ranked as the second most significant drug threat in Indiana, except in parts of southern Indiana, where it ranked first. Indiana has a long history of methamphetamine use, and is one of the top states when ranking the highest number of clandestine laboratories dismantled by law enforcement. While domestic clandestine laboratory seizure numbers have dropped in recent years, Indiana still ranked second nationally for the number of laboratories processed by law enforcement agencies. The increased availability of methamphetamine is a direct result of the control exerted by Mexican DTOs over the production, smuggling, and distribution of the drug. While most methamphetamine appears in crystalline form, methamphetamine in powder form is customarily white in color, but it also has been observed in other colors, such as pink or blue. The increased supply—and the limited but rising instances of it being mixed with fentanyl in the past few years—has led to an increase in the number of drug deaths in Indiana involving methamphetamine.

Cocaine

All indicators of availability show that cocaine remains a significant drug of concern for Indiana. The specific nature and scale of the cocaine threat varies throughout the state, depending on location and other factors. Most of the cocaine reaching Indiana is transported from source countries, primarily Colombia, into Mexico, smuggled into the United States, then distributed through major cities like Indianapolis, Fort Wayne, and Evansville, and finally into smaller communities. Both the supply of and demand for cocaine appear strong in Indiana. Seizures have increased and prices appear to be



trending downward. Substantial supplies seem to be related, at least in part, to increased production in South America. Similar to other drugs, Mexican DTOs transport wholesale volumes of cocaine from the SWB into larger urban areas on a regular basis, using methods similar to those used for the transportation of other illicit drugs.

Marijuana

Marijuana continues to be the most widely used illegal drug used within the state. As of January 2024, Indiana is surrounded by three states, Illinois, Michigan, and Ohio, that have fully legalized, at the state level, the use of marijuana; Indiana remains one of six states where cannabis remains illegal at the state level. Due to Indiana's proximity to states with legal cannabis products, the availability of and demand for marijuana remains high. This includes traditional leaf/bud products, as well as other modalities, like vape cartridges and edibles. The proximity of major cities in Indiana to Illinois and Michigan, where recreational marijuana is legal, makes it very easy to transport the drug across state lines.

Diversions

CPDs continue to be a threat throughout the country, as well as in Indiana; but, due to increased diversion-related enforcement and regulatory actions and lawsuits, CPDs are being more carefully prescribed. One of the primary reasons for the diversion of prescription drugs in Indiana is the high demand for these drugs, particularly opioids. Opioid drugs, like oxycodone and hydrocodone, are highly addictive and can be easily abused, leading to a significant risk of overdose/poisoning and death. The retail sale of CPDs is primarily sourced via prescription fraud, mostly by independent DTOs.

Money Laundering

The primary methods used to move/exchange proceeds generated from drug trafficking are bulk smuggling (generally via commercial and/or personal conveyance), wire transfers, structured bank deposits, money order purchases, and commingling illicit funds with legitimate funds. Money launderers generally operate as part of a DTO, and they may or may not be involved in drug distribution as well. Some money launderers operate legitimate businesses (such as restaurants, car dealerships, towing services, and trucking companies) as a means of laundering or legitimizing drug proceeds. Bulk cash movement is still the preferred method to move large amounts of illicit drug funds; however, seizures of currency have fallen over the past few years in Indiana. One reason for the decrease is that the use of digital currency to move illicit funds is increasing in popularity. Drug trafficking and payment, using web-based applications, are occurring throughout Indiana across urban, suburban, and rural communities. Drug traffickers advertise on social media platforms, using known code words and emojis. Prospective buyers typically respond using encrypted communication applications. After the deal is agreed upon, the buyer will pay using one-click money transfer applications. By their very nature, digital currencies are more difficult for law enforcement to detect and seize.

Outlook

DTOs and money laundering organizations will continue to infiltrate Indiana communities; however, there are some indications that smaller independent DTOs will take over retail distribution that historically has been controlled by larger street gangs and DTOs in open air drug markets. The use of technology—combined with privately owned vehicles and commercial parcel delivery services—make communication, transportation, and distribution of illicit drugs throughout the state more accessible to individuals and smaller organizations.

The opioid crisis in Indiana will continue to be a public health and public safety challenge. The presence of fentanyl or FRSs combined with other drugs, such as heroin, cocaine, and methamphetamine, adds another layer of complexity to the opioid crisis, as does the presence of fentanyl in fake pills that mimic legitimate medications. This will further contribute to the devastating number of fatal opioid overdoses/poisonings in the state. Drug traffickers seeking to maximize profit by either intentional compounding or unintentional contamination of fentanyl with other drugs—and opioid users seeking a more potent high by using fentanyl in combination with other drugs—will continue to be key factors in the overdose/poisoning epidemic. Controlled prescription drugs will continue to be abused in Indiana.

DTOs will continue to take advantage of new technology in an attempt to thwart investigations and enforcement activities. Social media, encrypted communications, digital payment applications, and cryptocurrencies continue to evolve and grow in popularity. DTOs will use these technologies to communicate with their networks and launder drug proceeds. Dark web vendors doing business in Indiana will expand their position in the illicit marketplace to distribute locally sourced drugs, both nationally and internationally.

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(U) This product was prepared by the DEA Intelligence Program – Chicago Division. Comments and questions may be addressed to the DEA Indicator Programs Section at: DEA.IntelligenceProducts@dea.gov. For media/press inquiries call (571) 776-2508.

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