



U.S. Department of Justice
Drug Enforcement Administration



(U) The Illegal Drug Threat in Wisconsin

DEA Intelligence Report

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Executive Summary

The most significant drug-related threat to Wisconsin 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 current threat across the state is the availability, distribution, and abuse of fentanyl, followed by methamphetamine. Heroin and marijuana availability, while high, have remained stable. Some local production of methamphetamine continues, particularly in the western and northeastern portions of the state; however, the amount of activity and quantities produced are very low. Mexican DTOs control most of the wholesale transportation, distribution, and bulk sales, while loosely organized street gangs control street-level distribution of most drugs. The violence associated with many of these groups, particularly in areas in and around Milwaukee, is of particular concern to law enforcement.

DEA Presence in Wisconsin

***DEA Presence in Wisconsin:** Wisconsin has a population of 5.8 million residents and is comprised of 72 counties, with a total land size of 54,310 square miles. DEA's Milwaukee District Office (DO) area of responsibility includes southeastern Wisconsin (representing the majority of the state's population); the Green Bay Resident Office (RO) covers northeastern Wisconsin; and the Madison RO is responsible for the entire Western portion of the state. The Milwaukee DO participates in the North Central High-Intensity Drug Trafficking Area (HIDTA) on a variety of counter-drug initiatives and investigations.*

Details

Mexican DTOs, primarily CDS and CJNG, are responsible for a substantial amount of the illicit drugs available in Wisconsin and the rest of the Drug Enforcement Administration's (DEA) Chicago Division (CD), specifically, fentanyl, heroin, methamphetamine, cocaine, and Mexico-produced marijuana. Drugs are acquired relatively easily in Wisconsin and other parts of the Midwest, due to the extensive distribution networks established by Mexican DTOs. Due to its location, Wisconsin is considered a destination state for illegal drugs, meaning that most of the illegal drugs that enter the state are destined to be sold or used within the state. There are two primary routes for the movement of these drugs, one directly from the Southwest Border (SWB) and the other from the Chicago area. Wisconsin is also a transit state for illicit drugs destined for the Minneapolis-St. Paul, Minnesota area, with vehicles used to transport them along the Interstate 90 corridor.

Illicit Opioids (Fentanyl/Heroin): Fentanyl has emerged as the main concern across the state of Wisconsin. The amount and availability of fentanyl continues to increase substantially and become more prevalent across the state. Increasingly, fentanyl is identified in a variety of other drugs, including cocaine, methamphetamine, and heroin. The growing pervasiveness of fentanyl in the state has led the Wisconsin Department of Health Services to issue public health advisories regarding fentanyl in overdose/poisoning deaths in Wisconsin. Of particular concern is the continuing increase in the number of overdoses/poisonings involving fake pills containing fentanyl (see Figure 1). The number of heroin exhibits acquired by investigators in Wisconsin has decreased significantly, as

fentanyl has overtaken it as the primary illicit opioid available in the state. The primary types of heroin available in Wisconsin are Mexican white powder and Mexican brown powder. 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.

Methamphetamine: All three DEA offices in Wisconsin report increased methamphetamine availability over the past few years. Methamphetamine production within Wisconsin remains limited. Previously, methamphetamine was smuggled into the Milwaukee area with consignments of other drugs (particularly cocaine) as DTOs attempted to establish a market. More recently, methamphetamine is more likely to be shipped by itself. The use of parcel delivery services also has been encountered by the

Green Bay and Madison ROs. Methamphetamine abuse has spread from the western portion of the state in rural areas bordering Minnesota and is now occurring throughout the state. 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 Wisconsin involving methamphetamine.

Prescription Drugs: The abuse of pharmaceutical prescription drugs in Wisconsin has mirrored the national trend. Wisconsin's primary pharmaceutical prescription drugs of abuse are opioids. The most common forms of diversion include DEA registrants prescribing controlled substances for no legitimate medical purpose to patients, friends, family, and in some instances self-prescribing for personal use. Other forms of diversion include employee theft and forged prescriptions. Obtaining controlled substances through online (internet based) marketplaces and social media applications is becoming more prevalent. Online sellers are known to advertise prescription drugs for sale, but some sites sell fake medications that contain illicit drugs like fentanyl and methamphetamine. In 2018, Wisconsin implemented a prescription drug monitoring program (PDMP) that assists in monitoring the dispensing of controlled substance prescriptions statewide.

Cocaine: Both powder and crack cocaine remain widely available in Wisconsin; however, all investigative information and price and purity data suggest they are not as commonly trafficked as they were in the past. This is likely due to the increased availability of methamphetamine. Generally, cocaine is transported into the state by DTOs that also are most prominent in the wholesale distribution. These organizations transport cocaine from the SWB either through Chicago or to Milwaukee directly, concealed within passenger vehicles with hidden compartments, and in large shipments concealed with a "cover load". These DTOs then supply street gangs that are involved in the retail distribution of cocaine and crack throughout the state. Cocaine powder usually is converted into crack cocaine locally.

Figure 1: Fake Pills

DEA forensic chemists have reported that seven out of 10 fake pills contain a potentially lethal amount of fentanyl (2 milligrams). CD investigators 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. They may also be unaware that all of these fake pills likely contain fentanyl, methamphetamine, or some other clandestinely produced substance.

Source: DEA



Marijuana: Marijuana remains readily available and widely used in Wisconsin. Milwaukee and Madison are both major destinations within Wisconsin for large quantities of high-grade marijuana from the northwestern United States, as well as for Mexican marijuana from the SWB. In recent years, it has become more common to see traffickers bypass Chicago and travel directly to the SWB or to other areas where it is being legally cultivated, in order to obtain marijuana at more competitive prices. Milwaukee and Madison also act as transshipment points to other areas around the state. Local cultivation of marijuana, both indoor and outdoor, takes place around the state as well.

Synthetic Drugs: The availability and abuse of non-opioid synthetic drugs has remained relatively stable across the state. The majority of the MDMA available in the Milwaukee DO area is entering the state from sources in nearby cities, such as Chicago, Detroit, or Minneapolis/St. Paul. Other drugs, such as gamma hydroxybutyrate (GHB), PCP, ketamine, and LSD, are available, albeit at lower levels.

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, structuring bank deposits and money order purchases, and commingling illicit proceeds with legitimate funds. An increasing number of criminal organizations are using cryptocurrencies as the primary alternative to bulk cash movement. 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 pays, using one-click money transfer applications. Digital currencies are more difficult for law enforcement to detect and seize. Money launderers generally operate as part of a DTO and 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.

Outlook

The opioid crisis in Wisconsin will continue to be a significant public safety priority and challenge for law enforcement and public health officials. Fentanyl and fentanyl-laced drugs will also continue to be significant contributing factors in overdose/poisoning deaths throughout Wisconsin. Fentanyl will continue to be mixed with various other drugs, such as heroin, methamphetamine, and cocaine, with drug traffickers seeking to maximize profit by either the intentional addition or unintentional contamination of other drugs with fentanyl. Heroin, both Mexican white powder and Mexican brown powder, will remain available, but in much smaller quantities than fentanyl.

Mexican DTOs will continue to be the primary suppliers of wholesale illicit opioids, cocaine, methamphetamine, and Mexico-grown marijuana in Wisconsin. Larger DTOs will continue to control most of the wholesale transportation, distribution, and bulk sales, with street gangs controlling street-level distribution of most drugs. Wisconsin will continue to be a destination state for illegal drugs, with much of the trafficking transiting through Chicago or directly from the SWB. Although drug traffickers will continue to use established methods to move/exchange proceeds generated from drug trafficking, such as bulk smuggling of cash, wire transfers, structured bank deposits, money order purchases, and commingling of illicit funds with legitimate funds, it is anticipated that many increasingly will adopt cryptocurrencies as key money laundering instruments.



The large-scale production of exceptionally high-potency methamphetamine by DTOs in Mexico will continue to serve as the primary source of supply of the drug in Wisconsin. This supply of methamphetamine will continue to displace what little local production occurs in the state.

Record-level production in source countries, particularly Colombia, likely will contribute to rising cocaine availability in the United States in general and Wisconsin specifically. The drug will remain a persistent threat, with both crack and powder forms continuing to be available in Wisconsin.

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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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