Violent Mexico-based drug organization traffics “rainbow fentanyl” and other deadly drugs to the United States

WASHINGTON — Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated La Nueva Familia Michoacana and its co-leaders, Johnny Hurtado Olascoaga (Johnny Hurtado) and Jose Alfredo Hurtado Olascoaga (Jose Hurtado), pursuant to Executive Order (E.O.) 14059, for having engaged in, or attempted to engage in, activities or transactions that materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs or their means of production. La Nueva Familia Michoacana smuggles illicit drugs into and throughout the United States. This organization is also behind the increasing U.S. presence of rainbow fentanyl, which, according to the U.S. Drug Enforcement Administration (DEA), appears in the form of pills/powder that come in a variety of bright colors, shapes and sizes and is made to attract children and young users.

“Today’s action targets the leadership of one of the most violent and depraved drug cartels,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “Not only does this cartel traffic fentanyl, which claimed the lives of more than 71,000 Americans last year, it now markets ‘rainbow fentanyl’ as part of a deliberate effort to drive addiction amongst kids and young adults. Treasury’s partnership with the DEA and the Mexican government has been critical as we take actions to protect our citizens from the harmful effects of these deadly narcotics.”

La Nueva Familia Michoacana is the successor of the original La Familia Michoacana, which was designated in 2009 pursuant to the Foreign Narcotics Kingpin Designation Act and designated again on December 15, 2021 pursuant to E.O. 14059. La Nueva Familia Michoacana operates in approximately 35 Mexican municipalities in the states of Michoacán, Guerrero, Morelos, and the state of Mexico. It is expanding into other regions of Mexico and
generates revenue from drug trafficking, illicit mining, and extortion. Members of La Nueva Familia Michoacana are distributing “rainbow fentanyl,” which is spreading throughout the United States. La Nueva Familia Michoacana's other drug trafficking activities include the planting of marijuana and poppy and trafficking various drugs from Central America, to include methamphetamine, heroin, cocaine, and fentanyl, all of which are destined for the United States.

In addition to La Nueva Familia Michoacana, OFAC designated its co-leaders, Mexican nationals Johnny Hurtado and Jose Hurtado, for having engaged in, or attempted to engage in, activities or transactions that have materially contributed to, or pose a significant risk of materially contributing to, the international proliferation of illicit drugs or their means of production. La Nueva Familia Michoacana has also demonstrated a willingness to attack government officials and buildings in Mexico, in addition to employing and training multiple assassins. This violence is conducted in furtherance of their poly-drug trafficking activities within Mexico and the United States. Johnny Hurtado and Jose Hurtado are two of the most wanted criminals in Mexico; the State of Mexico's Attorney General’s Office is offering up to 500,000 Mexican pesos for information leading to the capture of both Johnny Hurtado and Jose Hurtado.

On June 24, 2000, a federal grand jury in the United States District Court for the Southern District of Florida returned an indictment against Johnny Hurtado charging two counts related to the attempted possession of and conspiracy to distribute cocaine. Johnny Hurtado remains a fugitive from these charges.

**SANCTIONS IMPLICATIONS**

As a result of today’s action, all property and interests in property of the designated individuals and entities that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked. OFAC’s regulations generally prohibit all dealings by U.S. persons or within the United States (including transactions transiting the United States) that involve any property or interests in property of designated or otherwise blocked persons.

Today’s action is part of a whole-of-government effort to counter the global threat posed by the trafficking of illicit drugs into the United States that causes the deaths of tens of
thousands of Americans annually, as well as countless more non-fatal overdoses. OFAC, in coordination with its U.S. government partners and foreign counterparts, will continue to target and pursue accountability for foreign illicit drug actors.

The power and integrity of OFAC sanctions derive not only from OFAC’s ability to designate and add persons to the Specially Designated Nationals and Blocked Persons List (SDN List), but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from an OFAC list, including the SDN List, please refer to OFAC’s Frequently Asked Question 897. For detailed information on the process to submit a request for removal from an OFAC sanctions list, please visit here.

View identifying information on the individuals and entity designated today.

View the chart on the network designated today.

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*A previous version of this press release stated that 108,000 Americans died of fentanyl-related deaths last year. The press release was corrected to say that more than 71,000 Americans died of fentanyl-related deaths last year. 108,000 Americans died as a result of drug overdoses last year.*