



June 13, 2023

The Honorable Andy Biggs
Chairman
Subcommittee on Crime and
Federal Government Surveillance
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

The Honorable Sheila Jackson Lee
Ranking Member
Subcommittee on Crime and
Federal Government Surveillance
Committee on the Judiciary
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Biggs and Ranking Member Jackson Lee:

Thank you for scheduling the upcoming hearing on, “The Rise in Organized Retail Crime and the Threat to Public Safety,” and for your attention to this “national crisis.”¹

Communities and businesses large and small across the United States are facing a significant increase in organized retail crime that requires immediate action. The U.S. Chamber’s latest survey of small businesses found that 56% of small businesses reported theft in the last year and 53% believe that the problem has gotten worst in the last year. At the aggregate level, the National Retail Federation reports that \$100 billion has been lost to general crime or “shrink” in the last year and organized retail crime is on the rise with 26.5% of businesses reporting an increase in organized retail theft. The problem is especially impactful in our cities with crimes affecting businesses on the rise in with robberies up 5.5%, larcenies up 8%, and nonresidential burglaries up 11% from 2021 to 2022 according to the Council on Criminal Justice. These statistics warrant a comprehensive response on the federal, state, and local level.

Last year, Congress took an important step on this issue by approving the INFORM Act, which aimed to close off online markets for stolen goods by establishing verification requirements for third party online marketplace sellers. In addition to the efforts in your Committee this Congress, Senator Grassley’s Combating Organized Retail Crime Act of 2023 (S. 140), which would establish a coordinated multi-agency response to organized retail crime and would create new tools to tackle evolving trends in organized retail theft is a positive federal response.²

At the state level, there has been significant progress with 34 state laws increasing penalties and enforcement including in:

- **Virginia**, which passed a law to make organized retail theft a felony and make those convicted of the crime eligible for prison sentences of up to 20 years;³
- **Georgia**, which sought to make it more difficult for organized gangs to sell stolen goods online;⁴
- **Minnesota**, which created a separate offense for organized retail theft with a possible sentence of 15 years depending on the value of the good stolen;⁵

¹ https://www.uschamber.com/assets/documents/220329_OrganizedRetailTheft_Congress_NGA_NCSL_NDAA.pdf

² <https://www.uschamber.com/economy/u-s-chamber-applauds-house-passage-of-inform-consumers-act>

³ <https://apnews.com/article/virginia-state-government-theft-business-crime-291f811d1fd952ee18125994461462e5>

⁴ <https://www.wsav.com/now/new-georgia-laws-that-will-be-in-effect-starting-january/>

⁵ <https://www.fox9.com/news/minnesota-gun-safety-law-2023>

- **Oregon**, which passed a law allowing for prosecutors to combine organized retail crime offenses happening across jurisdictions;⁶ and
- **North Carolina**, which made a felony of organized retail crimes that result in \$1,500 or more in damage.⁷

This is an outstanding foundation to build on but sustained effort in all 50 states is needed to ensure that no jurisdiction is a safe haven for these organized criminal operations.

Inactive prosecutors in America's major cities are contributing to rising crime rates. Prosecutors are the gatekeepers to our criminal justice system and must be held accountable for policies that send the wrong message on crimes against business. The Chamber has supported federal, state and local leaders in the fight against organized retail crime and lax prosecutors with an event featuring Rep. Nicole Malliotakis, Virginia Attorney General Jason Miyares and Missouri Chamber of Commerce CEO Dan Mehan. You can watch a full replay of the event here.^{8,9,10,11}

We thank you again for holding this hearing on an issue of critical importance to the business community. We look forward to engaging with you on this and other anti-crime issues. Please let us know how we can be helpful with this hearing and future committee efforts.

Sincerely,



Neil L. Bradley
Executive Vice President,
Chief Policy Officer,
And Head of Strategic Advocacy
U.S. Chamber of Commerce

cc: Members of the Subcommittee on Crime and Federal Government Surveillance

⁶ <https://www.kgw.com/article/news/politics/oregon-shoplifting-retail-theft-bill-governors-desk/283-3ed825cc-34cf-433a-96f1-b0e42432c15c>

⁷ <https://myfox8.com/news/north-carolina/new-north-carolina-law-works-to-combat-rise-in-organized-retail-theft/>

⁸ <https://www.uschamber.com/on-demand/economy/fighting-back-on-rising-crime-with-legislation>

⁹ <https://www.uschamber.com/on-demand/economy/how-businesses-suffer-from-prosecution-failures>

¹⁰ <https://www.uschamber.com/on-demand/economy/missouri-chamber-stands-against-rising-crime>

¹¹ <https://www.youtube.com/watch?v=lv8DGK8WGxo>