

# Combating Organized Retail Crime Act

## The Issue

ICSC applauds the recent enactment of the “Integrity, Notification, Fairness in Online Retail Marketplaces (INFORM) Act.” However, the issue of Organized Retail Crime (ORC) continues to be a growing problem that requires further solutions.

ORC involves the association of two or more persons engaged in illegally obtaining retail merchandise in substantial quantities through both theft and fraud as part of an unlawful commercial enterprise. This type of crime has a serious detrimental effect on retailers, their employees and the communities they serve.

## Additional Congressional Action Needed

ICSC strongly supports the “**Combating Organized Retail Crime Act**,” introduced in the 117th Congress by Senators Chuck Grassley (R-IA), Catherine Cortez Masto (D-NV), Representatives Ken Buck (R-CO), Dina Titus (D-NV), Susie Lee (D-NV) and now-Senator Ted Budd (R-NC).

This important legislation would enable the aggregation and prosecution of offenses across jurisdictional lines and redefine “facilities of interstate commerce” to include, among other unlawful tactics, use of cellular devices and interstate highways as a criminal offense.

In addition, the measure would create a “National Organized Retail Crime Center” within the Department of Homeland Security (DHS) to provide needed coordination with federal law enforcement activities related to ORC, establish relationships with state and local law enforcement agencies, assist with investigations and replicate information sharing with private retail companies.

## The Ask

Organized retail crime is leading to more brazen and violent attacks in retail stores throughout the country.

The time is now for Congress to reintroduce and enact the “**Combating Organized Retail Crime Act**” to broaden statutes dealing with the transport and receipt of stolen goods. Such measures will better target ORC activities and reflect the seriousness of these criminal acts to make our communities safer.



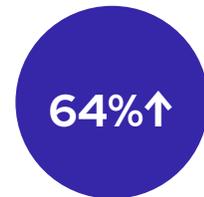
Inventory loss in 2022 according to the National Retail Federation Security Survey.



Retailers reporting ORC resulted in physical assault of employee.



Increase in organized theft incidents reported by retailers last year.



Increase of strong-armed tactics in 2021.



Increase in armed robberies in 2021.

Sources: NRF, Buy Safe America Coalition.

# Organized Retail Crime: State Legislative Measures

Thirteen states – **Arkansas, Alabama, California, Colorado, Georgia, Illinois, Iowa, Louisiana, Michigan, North Carolina, Ohio, Oklahoma and Pennsylvania** – have enacted similar versions of the federal “INFORM Consumers Act” over the last two years. And while INFORM proves to be an effective tool for preventing stolen products from being fenced online, much attention will now be paid to how policies dealing with ORC will be enforced in the new year.

Strengthening law enforcement’s ability to target organized retail criminal operations continues to be high priority. Eleven states – **Arizona, California, Colorado, Connecticut, Florida, Illinois, Michigan, New Mexico, Oregon, Utah and Washington** – have established an ORC task force within the Attorneys General offices to investigate and prosecute suspects involved in organized retail crimes. These task forces provide increased funding to support coordination among law enforcement, prosecutors, and businesses to focus on stopping multi-jurisdictional retail crime operations.

Statewide ORC task forces have been responsible for a string of major organized retail criminal busts. The Attorneys General of California, Illinois and New Mexico have each carried out coordinated sting operations based on the important work that their state ORC task forces have conducted.

The signing of the INFORM Consumers Act marked a major policy breakthrough for retailers and local communities. Moving into 2023 and onward, however, retailers and other stakeholders need to continue building relationships with local officials, law enforcement agencies, attorneys general and others to ensure that curbing organized retail crime remains priority number one.

