

**Congress of the United States**  
**U.S. House of Representatives**  
**Committee on Small Business**  
2361 Rayburn House Office Building  
Washington, DC 20515-6515

**MEMORANDUM**

**TO:** Members of the Committee on Small Business

**FROM:** Committee Majority Staff

**DATE:** January 7, 2024

**RE:** Full Committee Hearing Titled “Crime on the Rise: How Lawlessness is Impacting Main Street America”

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On **Thursday, January 11, 2024 at 10:00 AM ET**, the Committee on Small Business will hold a hearing titled “**Crime on the Rise: How Lawlessness is Impacting Main Street America.**” The meeting will convene in room 2360 of the Rayburn House Office Building. The purpose of this hearing is to hear the impact of crime, antisemitism, and changing police policies hurt the small businesses of America.

**I. Witnesses**

- **Ms. Liora Rez**, Executive Director, StopAntisemitism
- **Mr. Jerry Scott**, President/Chief Executive Officer, Elmer’s Restaurants, Inc.
- **Chief Reuben Roach**, Chief of Police, City of Norwich Police Department
- **Dr. John Roman**, Senior Fellow and Director, Center on Public Safety and Justice, NORC at University of Chicago

**II. Background**

Small businesses continue to face challenges with inflation, over regulation, workforce shortages, and supply chain issues. On top of all that, small businesses face immense challenges caused by an increase in crime. In a recent study, 90 percent of small businesses stated they have been a victim of crime in 2023, with 83 percent stating that crime is at least a somewhat major issue.<sup>1</sup> The recent rise in crime is a threat to the health of American small businesses and the communities they serve.

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<sup>1</sup> Jason Metz & Michelle Megna, *The Impact of Retail Theft on Small Businesses and States*, FORBES ADVISOR (Dec. 1, 2023).

Public safety is a prerequisite to economic development. Increased crime has caused many businesses owners to limit reinvestment in their businesses and consider pulling their businesses out of high-crime communities.<sup>2</sup> Small businesses provide nearly half of all private sector jobs, and communities affected by crime may see those jobs relocate to safer areas.<sup>3</sup> Small business owners are also deeply imbedded in their communities, not only providing jobs and goods, but supporting local causes, promoting local events, and serving as informal community leaders. If such businesses are forced to relocate out of their community, that community suffers.<sup>4</sup> Small business owners, employees, and customers are increasingly reporting feeling unsafe in high crime areas. Soft-on-crime policies need to be reviewed to ensure that America's small businesses are adequately protected.

As cities and communities reevaluate crime polices, small business owners feel the strain of crime on their businesses. Many cities are modifying their pre-trial detention programs in favor of cashless bail which allows those arrested for crimes and awaiting trial to re-enter the community without a financial penalty. Additionally, states and cities are implementing new policies on how officers may pursue or detain a suspect, which may result in more suspects being able to flee from crimes.<sup>5</sup> This hearing will evaluate the impact of these policies on businesses and communities and offer alternative solutions.

Further, since the brutal attack by Hamas on October 7, 2023, antisemitic behavior has risen almost 400 percent in the United States.<sup>6</sup> Jewish small business owners have faced protests, had their windows broken, and endured attempts to push their customers away.<sup>7</sup> Studies have shown that Jewish people are roughly five times more likely to be the victim of a hate crime than any other popular religious group.<sup>8</sup> These businesses are being targeted simply for their faith, which is unacceptable. This Committee stands with all small business owners chasing the American dream who are being affected by this public safety crisis.

### **III. Conclusion**

Small business owners face numerous barriers, but crime and antisemitism should not be among them. As small business owners face these rising threats, it is important that Congress hear their concerns and find solutions to protect the American Dream amid this great adversity.

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<sup>2</sup> *Business owners say high crime in West Tampa may change their plans*, ABC ACTION NEWS, (Jan. 17, 2023).

<sup>3</sup> Linda McMahon, *Protect small businesses from crime if you want a thriving economy*, FOX NEWS (Aug. 14 2023).

<sup>4</sup> Linda McMahon, *Protect small businesses from crime if you want a thriving economy*, FOX NEWS (Aug. 14 2023).

<sup>5</sup> Olivia Diaz, *Advocates Question Whether Fairfax Police Foot Chase Policy Goes Far Enough*, Wash. Post (Aug. 4, 2023)

<sup>6</sup> Sereen Habenshain, *Antisemitic incidents surge 337% since start of Hamas-Israel war: ADL*, AXIOS (Dec. 11, 2023); Kanishka Singh, *US antisemitic incidents up about 400% since Israel-Hamas war began, report says*, REUTERS (Oct. 25, 2023).

<sup>7</sup> Ben Samuels, *Pro-Palestinian Protesters Target Philadelphia Falafel Shop Owned by Jewish Celebrity Chef*, HAARETZ (Dec 4, 2023).

<sup>8</sup> *2022 FBI Hate Crimes Statistics*, FED. BUREAU OF INVESTIGATION (Oct. 16, 2023).