

December 2, 2025

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives

The Honorable Nydia M. Velázquez
Ranking Member
Committee on Small Business
U.S. House of Representatives

**RE: Main Street Under Attack: The Cost of Crime on Small Businesses – Support the
Combating Organized Retail Crime Act**

Dear Chairman Williams and Ranking Member Velázquez,

On behalf of the National Retail Federation, I would like to applaud the House Committee on Small Business for holding today's hearing – "Main Street Under Attack: The Cost of Crime on Small Businesses."

NRF, the world's largest retail trade association, passionately advocates for the people, brands, policies and ideas that help retail succeed. NRF empowers the retail industry, with membership that ranges from well-known national brands to small business owners across Main Street USA. We write to you today regarding the escalating crisis of retail theft and its devastating impact on America's small business communities. While large retailers certainly bear significant losses, the truth is that **when small businesses are impacted, they often cannot manage the loss of singular or more frequent events** in the way larger brands can. For a local shop, a few stolen high-value items or repeated thefts can represent a substantial, if not fatal, blow to their already thin margins.

Statistics show how this problem continues to grow:

- **National Retail Federation (NRF):** A recent NRF study found that from 2023 to 2024, retailers saw an **18% jump in the average number of shoplifting acts per year**, and a **17% increase in threats or acts of violence** associated with theft events¹. The combination of financial loss and increased danger to employees poses an unsustainable burden.
- **U.S. Chamber of Commerce:** According to a U.S. Chamber of Commerce survey, **over half (56%) of small retail businesses reported experiencing theft**, with a majority (53%) stating the problem has gotten worse. Furthermore, nearly half (46%) of small retailers reported being **forced to increase prices** to cover the cost of theft².

Through member engagement, we know that retail crime has evolved over the past several years. What was once most often theft for personal need and use has become theft for greed involving and encouraged by organized retail crime groups. Organized retail crime undermines the very fabric of American communities and impacts businesses both large and small. These groups operate to

¹ <https://nrf.com/research/the-impact-of-retail-theft-violence-2025>

² <https://www.uschamber.com/economy/crime-risk-to-business-2023>

coordinate, orchestrate and direct theft across various retail segments and stores across the nation. ORC activity occurs in highly populated metropolitan cities and across suburban communities. Those involved in the criminal enterprise often prey on the locally addicted or afflicted to steal on their behalf, getting caught in a cycle that requires continual theft to support the enterprise.

Retail workers and customers are impacted by threats and acts of violence by thieves determined to leave with stolen goods. Retailers, especially small retailers, are also affected by labor and staffing challenges, as repeated thefts or threats of violence make hiring difficult. Communities lose sales tax revenue, face strained law enforcement resources and risk store closures, which result in lost jobs and product availability. The truth about organized retail crime lies beneath the surface of shoplifting or petty theft in a retail store. Retail theft is not a victimless crime.

ORC extends beyond the theft of retail goods from a store. Supply chain and cargo theft incidents are on the increase across our nation. Criminal groups are also conducting more sophisticated financial crimes, including fraud involving gift cards, in addition to product return fraud schemes. The profits from organized retail crime often finance other illicit activities such as illegal drugs or weapons sales or the funding of terrorist and human-trafficking networks overseas. The profits from reselling stolen merchandise can also be used to launder and conceal financial gains from other illegal activities. Organized retail crime is a gateway to other nefarious criminal activities.

As a way to support small businesses and our retail economy across the nation, we urge Congress to pass the Combating Organized Retail Crime Act³ (H.R. 2853). While many state legislators and law enforcement agencies have stepped up efforts to combat rising levels of crime in their communities, many are limited due to the cross-jurisdictional nature of ORC groups. This bill will provide federal information sharing and coordination to help align counter-ORC activities and facilitate efforts necessary to curtail these criminal groups across the nation. This bipartisan legislation now has over 185 co-sponsors in the House of Representatives, including 13 members of this committee. NRF applauds those members who have co-sponsored the bill and strongly urges other members of the House of Representatives to support and pass this important bill.

The retail industry cannot solve this problem alone. Small business owners cannot keep up with today's level of retail crime. The retail industry, big and small, needs the support of law enforcement and the state, local and federal levels to further combat these sophisticated theft groups. We appreciate the Committee on Small Business holding a hearing to examine the issues of crime facing main street businesses, including retailers. We stand ready to work with the Committee and Congress to pass the Combating Organized Retail Crime Act as a means to help address this issue.

Sincerely,



David French
Executive Vice President, Government Relations

³ <https://www.congress.gov/bill/119th-congress/house-bill/2853?s=1&r=1&q=%7B%22search%22%3A%22%5C%22hr+2853%5C%22%22%7D>