



March 24, 2022

Assemblymember Vince Fong
State Capitol
Sacramento, CA 95814

Re: Assembly Bill 2543 (Fong) – Shoplifting – SUPPORT IF AMENDED

Dear Assemblymember Fong:

The California Retailers Association (CRA) is pleased to support your Assembly Bill 2543, if amended to include a plan for revitalizing pretrial diversion programs for individuals charged under the proposed law. AB 2543 would authorize acts of shoplifting that occur on 2 or more separate occasions within a 12-month period to be punished as a “wobbler” offense where the aggregated value of the merchandise taken exceeds the grand theft threshold of \$950.

The California Retailers Association is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, on-line marketplaces, convenience stores, supermarkets and grocery stores, chain drug, and specialty retail such as auto, vision, jewelry, hardware and home stores. CRA works on behalf of California’s retail industry the largest retail market in the United States.

The rising tide of retail theft and organized retail crime is impacting not only retail business but the safety of our employees, customers, and the economic well-being of neighboring businesses and the neighborhoods we serve. Stemming this tide requires a comprehensive approach that includes: 1) dismantling organized retail crime (ORC) networks through enhanced investigative and prosecutorial resources; 2) disrupting online “fencing” operations through improved transparency regarding online sellers; 3) deterring professional thieves through enforcement of repeat theft offenses at our stores; 4) offering meaningful diversion opportunities for those individuals to make positive changes in their lives.

Combating retail theft is a team effort between the community, retailers, law enforcement, and prosecutors. One of the unintended consequences of Proposition 47 we have observed is an erosion of confidence between these entities resulting in decreased enforcement of retail theft. Where law enforcement does intervene with suspects, oftentimes their primary tool is a misdemeanor citation in which the suspect is likely to be released immediately, ultimately faces few consequences, and often

reappears in their stores. This discourages frustrated retailers and citizens from reporting shoplifting incidences, only further reducing the likelihood that these issues will be addressed. For the professional thief or the organized criminal network, this situation has created an impression that retail theft is a low-risk/high-reward crime.

We need to reverse this perception. By focusing on serial theft, AB 2543 will help deter repeat offenses and likewise encourage defendants to seek diversion rather than jail. CRA is supportive of such a change if coupled with a plan to provide meaningful offramps out of the criminal justice system for these individuals, such as treatment for addiction, mental health treatment, or job training and education opportunities.

We thank you for your introduction of AB 2543 and your leadership on the issue of retail theft. We look forward to further conversations with the Legislature on this issue. If you have any questions, please contact Steve McCarthy at steve@calretailers.com or (916) 443-1975.

Sincerely,

A handwritten signature in black ink that reads "Steve McCarthy". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Steve McCarthy
Vice President, Public Policy