



February 16, 2023

Assemblymember Vince Fong
1021 O St, Suite 4630
Sacramento, CA 95914

Re: SUPPORT – AB 523 (Fong): Organized Cargo Theft

Dear Assemblyman Fong,

First, thank you for your leadership on the issue of Cargo Theft. We appreciate your partnership on this important issue that not only impacts retailers, but the customers we serve. On behalf of the members of the California Retailers Association, we are pleased to support AB 523.

We know you heard firsthand when you attended the California Organized Retail Crime Association's conference last fall the significant impact AB 523 will have by adding the term "cargo" to the state's organized retail theft statute to crack down on organized retail theft targeting California's supply chain. And, as I know you are well aware, California's goods movement took a massive hit in 2022 as the backlogs at coastal ports caused cargo lanes to come to a standstill. When you couple these supply chain challenges, compounded by increased gas prices, climbing inflation, and rising interest rate the impact on the economy is impacting our small businesses and California families. When individuals feel this type of economic pressure we see an increase in criminal theft, both in our stores and throughout the supply chain and we can point to household goods and electronics as the most stolen commodity in 2022.

We appreciate your understanding that the Organized Retail Crime statute needs to be modernized to include other acts of retail theft - distribution centers, cargo containers, and railroads. AB 523, coupled with the increased funding the California Retailers Association secured last year for ORC and the passage of the INFORM Consumer Act, sponsored by CRA and signed by the Governor, will go a long way to deter this criminal activity and ensure our goods movement can fully recover from the COVID pandemic while not being sidetracked by increased criminal activity.

For these reasons, the California Retailers Association is pleased to strongly support AB 523.

Sincerely,

Rachel Michelin
President + CEO