



OHIO CHAMBER OF COMMERCE

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Ohio Chamber of Commerce**
*Proponent Testimony – House Bill 366
June 11, 2024*

Good afternoon, Chair Abrams, Vice Chair Williams, Ranking Member Brown, and Members of the House Criminal Justice Committee, and thank you for the opportunity to provide testimony in support of House Bill 366. My name is Rick Carfagna, and I am the Senior Vice President of Government Affairs for the Ohio Chamber of Commerce.

For 131 years, the Ohio Chamber has served as the state's leading business advocate and represents over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

House Bill 366, also known as the Fight Organized Retail Crime and Empower Law Enforcement (FORCE) Act, establishes a statewide organized retail crime task force and updates the Ohio Revised Code to better protect retailers and consumers. According to the U.S. Chamber of Commerce, a total of 3.59% of all U.S. retail crime in 2021 took place in Ohio, costing businesses in the state approximately \$3,944,650,700. As has been reported by the Columbus Dispatch, retail theft consistently translates into annual losses of \$2 billion to \$3 billion, and a 2022 report by the National Retail Federation states that 88% of retailers acknowledge that shoplifters have become more aggressive and violent compared with the past year.

In September 2022, our CEO and President Steve Stivers took the initiative to conduct a study of our membership and business owners on the effect of public safety on their businesses. The Ohio Chamber worked with The Tarrance Group to canvass 600 Ohio adults and 171 Ohio businesses focusing on crime and its impact on both the economy and the Ohio business climate. Among our key findings:

- While the vast majority of adults feel that crime, especially violent crime, is on the rise, the business community is universally in agreement (74% and 81% respectively).
- While a majority of the Ohio adults (52%) believe the crime problem is getting worse, the business community (64%) is even more likely to view it that way.
- A simple majority of adults believe that rising crime has kept businesses from expanding, but the figure rises to 62% within Ohio's business community.

- Both adults and the business community want prosecutors and judges to be held accountable when they plea bargain cases.
- The business community is in universal agreement that all discussion of defunding the police should be put to a stop. Further, businesses would like to see more police on patrol.
- 77% of adults surveyed and 88% of businesses surveyed agree it's a good idea to stop allowing small crimes like shoplifting, even in high crime areas.

With this study indicating that rising crime is throttling business expansion and slowing the creation of new jobs and economic opportunity for all Ohioans, the Ohio Chamber launched an OCC Crime Task Force in May 2023 to discuss possible solutions to increase the growth and security of Ohio businesses.

Our Crime Task Force pulled together representatives of the retail community along with state and county law enforcement officials to examine retail theft and other crime phenomena across Ohio that is stifling commercial growth. This effort was led by former U.S. Attorney David DeVillers of Barnes & Thornburg LLC and retired Judge Scott VanDerKarr, and the group brainstormed numerous criminal justice reforms, prosecutorial authority, and new or enhanced penalties. We were pleased to see a number of the Crime Task Force's suggestions aligned with those of similar efforts by the Ohio Council of Retail Merchants and ultimately incorporated into both House Bill 366 and its companion bill, Senate Bill 223.

Chief among these legislative concepts outlined under HB 366 is the creation of an Organized Retail Theft Task Force, housed under the existing Organized Crime Investigations Commission (OCIC) within the State Attorney General's Office. The Task Force will have investigative authority based on any complaint filed or information received when organized retail theft has reasonably occurred and continues to occur in one or more counties. The bill also creates the Organized Retail Theft Advisory Council within the office of the Attorney General, which will advise the OCIC on organized retail theft and recommend actions for the Commission to detect, deter, prevent, and prosecute organized retail theft.

We are also pleased to see the creation of an organized retail theft statute under HB 366 that bridges the gap between shoplifting and RICO (engaging in a pattern of corrupt activity), as well as modified definitions under Ohio Revised Code relating to both "Organized Retail Theft" and "Retail Property Fence". These and other important new tools and updates in state law under HB 366 will arm law enforcement to hold criminals accountable while helping to increase the growth and security of Ohio businesses.

Madam Chair and members of this committee, thank you again for your consideration of HB 366 and for recognizing the importance of this legislation. We stand ready to work with all of you to pass these critical protections for Ohio's business community.