



June 17, 2025

The Honorable Charles E. Grassley, Chairman
Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Richard J. Durbin, Ranking Member
Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, DC 20510

Re: S. 1404, Combating Organized Retail Crime Act – Support

Dear Chairman Grassley and Ranking Member Durbin:

On behalf of the National Insurance Crime Bureau (NICB), I write to express our strong support of S. 1404, the Combating Organized Retail Crime Act of 2025. As a leader in the fight against insurance fraud and crime, NICB urges the Committee to take up and advance this bipartisan measure, which will deter retail and cargo theft that harms American consumers and job creators; finances organized, transnational criminal networks; and increases costs for all.

With a 110-year history, NICB is the nation's premier non-profit organization exclusively dedicated to detecting, preventing, and deterring insurance fraud and insurance-related crimes through intelligence-driven operations. NICB is supported by approximately 1,200 property and casualty insurance companies, associate members, and other strategic partners within the anti-fraud ecosystem. While NICB provides value to our members and law enforcement—such as through investigative support; intelligence reports and information sharing; and education and training programs—we also serve a significant public benefit by helping to stem the estimated billions of dollars in economic harm that insurance crime—including organized retail and cargo theft—causes every year.

Insurance fraud is not a victimless crime. According to the Federal Bureau of Investigation (FBI), insurance fraud (excluding health insurance) is estimated to be more than \$40 billion per year, costing the average American family between \$400 and \$700 annually in the form of increased premiums.¹ A study performed by the Coalition

¹ Insurance Fraud, Federal Bureau of Investigation, available at <https://www.fbi.gov/stats-services/publications/insurance-fraud>.

Against Insurance Fraud estimates that the damage is far greater, stealing approximately \$308 billion each year from American consumers.² These crimes take many forms—from vehicle and cargo theft; staged vehicle accidents and slip-and-fall schemes; and home and auto repair scams; to identity theft, predatory towing, and medical billing fraud—and are limited only by the scope of fraudsters' capabilities and resourcefulness.

Organized cargo theft is big business and, unfortunately, on the rise. NICB has witnessed this trend firsthand. Our agents play a crucial role in coordinating with local, state, and federal law enforcement agencies, as well as NICB member insurance companies, to aid in investigations of interstate and international organized criminal networks involved in cargo theft. Since 2022, NICB has opened an average of 150 commercial cargo crime cases per year. In the last 18 months, however, NICB has assisted in more than 240 cargo theft investigations, leading to more than 70 recoveries valued at nearly \$40 million. For the first time, the value of stolen merchandise and estimated loss rose to more than \$1 billion in 2023. In 2024, cargo crimes increased to an all-time high, up 27% from 2023 (according to CargoNet), and these losses are expected to rise another 22% from already historic levels by the end of 2025.

Cargo theft is often orchestrated by complex crime rings—spanning multiple jurisdictions and even countries—with one goal in mind: to score massive payouts. For instance, the estimated average value of an individual cargo theft is \$202,000. But the confluence of profitability to fund criminal enterprises, enhanced technology to defeat law enforcement, uncertain tariff negotiations, and other geopolitical circumstances has led to increased threats to the global supply chain. Moreover, as the logistics industry becomes more digital and dependent on third-party freight brokers and carriers, criminals are taking advantage of system-wide weaknesses using more sophisticated tactics.

Criminals exploit cargo delivery systems through identity theft, fraudulent pickups, posing as fictitious carriers, and cyber-enabled logistics manipulation. For example, NICB recently assisted law enforcement in uncovering a sophisticated international criminal enterprise that utilized multiple business email compromises to successfully arrange and ultimately export stolen industrial equipment overseas. Weaknesses in common-use business technologies such as voice over internet protocol and GPS, coupled with identity theft and synthetic identities, can enable sophisticated, transnational criminals to reroute high-value consumer goods from their intended destination to the black market.

One way to stop organized cargo theft is through deterrence. Accordingly, NICB strongly supports S. 1404, which would add additional teeth to federal criminal statutes to more effectively confront interstate and transnational organized theft. The bill would

² Fraud Stats, Coalition Against Insurance Fraud, *available at* <https://insurancefraud.org/fraud-stats/>.



allow for criminal forfeitures for convictions for the interstate shipment or transportation of stolen goods and for the sale or receipt of stolen goods. The bill will also strengthen money laundering statutes, permit the aggregation of thefts to strengthen deterrence, and would better enable the prosecution of organized retail and supply chain criminal networks that use interstate or foreign commerce—such as the internet—to facilitate their crimes. These are critical reforms needed to address a complex, highly organized threat landscape.

Additionally, S. 1404 would establish the Organized Retail and Supply Chain Crime Coordination Center within Homeland Security Investigations (HSI) at the U.S. Department of Homeland Security. This will improve collaboration and information-sharing between federal, state, and local law enforcement and would bring industry experts to the table to help ensure a coordinated approach to combating interstate and transnational organized crime. We know that fraudsters and criminals are coordinated in their tactics, so law enforcement and industry must likewise be coordinated in adopting countermeasures. NICB stands ready to support this Coordination Center and to provide any requested expertise, intelligence, and resources.

In short, NICB applauds the bipartisan Combating Organized Retail Crime Act of 2025 and urges the Committee to take up and favorably advance it to the floor.

If you have any questions, please contact me at kmccollum@nicb.org or 847-636-7041.

Respectfully,

A handwritten signature in black ink, appearing to read "Kyle T. McCollum", followed by a horizontal line extending to the right.

Kyle T. McCollum
Vice President
Strategy, Policy, and Government Affairs
National Insurance Crime Bureau