To combat organized crime involving the illegal acquisition of retail goods for the purpose of selling those illegally obtained goods through physical and online retail marketplaces.

IN THE SENATE OF THE UNITED STATES

Mr. GRASSLEY (for himself and Ms. CORTEZ MASTO) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To combat organized crime involving the illegal acquisition of retail goods for the purpose of selling those illegally obtained goods through physical and online retail marketplaces.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Combating Organized
5 Retail Crime Act of 2023”.
6 SEC. 2. FINDINGS.
7 It is the sense of Congress that—
(1) organized retail crime, a crime involving groups of individuals specifically targeting retail stores, often by using violence or threats of violence to subdue employees and shoppers while robbing stores of their most valuable and easily diverted merchandise, has been a growing concern to retailers, industry, and law enforcement;

(2) retailers have seen a dramatic increase in occurrences of organized retail crime, costing retailers approximately $720,000 per every $1,000,000,000 in sales in 2019, representing more than a 50-percent increase in such losses since 2015. Further, according to the National Retail Federation, the use of violence or aggression is increasing in the commission of these crimes, with 3% of retailers reporting an increase of violence during the commission of retail theft;

(3) organized retail crime—

(A) threatens the safety and liberty of individuals in the United States when those individuals engage in commerce;

(B) erodes the retail economy for customers and businesses alike; and

(C) finances transnational criminal organizations that use the proceeds of those thefts to
support the criminal goals of the criminal orga-
nizations; and

(4) it has become necessary for Congress—

(A) to amend title 18, United States Code,
to ensure that law enforcement has the legal
tools necessary to combat organized retail crime
in the same capacity as law enforcement is able
to combat theft and diversion from other por-
tions of the supply chain; and

(B) to direct the executive branch to create
a central coordination center to align Federal,
State, local, territorial, and Tribal efforts to
combat organized retail crime.

SEC. 3. AMENDMENTS TO TITLE 18, UNITED STATES CODE.

Part I of title 18, United States Code, is amended—

(1) in section 982(a)(5)—

(A) by redesignating subparagraphs (C),
(D), and (E) as subparagraphs (D), (E), and
(F), respectively;

(B) by inserting after subparagraph (B)
the following:

“(C) section 659 (interstate or foreign ship-
ments by carrier; State prosecutions);”;

3

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23
(C) in subparagraph (E), as so redesignated, by striking ‘‘; or’’ and inserting a semicolon;

(D) in subparagraph (F), as so redesignated, by striking the period at the end and inserting a semicolon; and

(E) by inserting after subparagraph (F), as so redesignated, the following:

“(G) section 2314 (transportation of stolen goods, securities, moneys, fraudulent State tax stamps, or articles used in counterfeiting); or

“(H) section 2315 (sale or receipt of stolen goods, securities, moneys, or fraudulent State tax stamps).’’;

(2) in section 1956(c)(7)(D)—

(A) by inserting ‘‘section 659 (interstate or foreign shipments by carrier; State prosecutions),’’ after ‘‘section 658 (relating to property mortgaged or pledged to farm credit agencies),’’; and

(B) by inserting ‘‘section 2314 (transportation of stolen goods, securities, moneys, fraudulent State tax stamps, or articles used in counterfeiting), section 2315 (sale or receipt of stolen goods, securities, moneys, or fraudulent
State tax stamps),’’ after ‘‘section 2281 (relating to violence against maritime fixed platforms),’’;

(3) in section 2314, in the first paragraph—

(A) by inserting ‘‘or by using any facility of interstate or foreign commerce,’’ after ‘‘commerce’’;

(B) by inserting ‘‘or of an aggregate value of $5,000 or more during any 12-month period,’’ after ‘‘more,’’;

(C) by inserting ‘‘, embezzled,’’ after ‘‘stolen’’; and

(D) by inserting ‘‘, false pretense, or other illegal means’’ after ‘‘fraud’’; and

(4) in section 2315, in the first paragraph—

(A) by inserting ‘‘or of an aggregate value of $5,000 or more during any 12-month period,’’ after ‘‘$5,000 or more,’’; and

(B) by striking ‘‘; or’’ and inserting ‘‘, or have been stolen, unlawfully converted, or taken by the use of any facility of interstate or foreign commerce in the commission of said act; or’’.
SEC. 4. ESTABLISHMENT OF A CENTER TO COMBAT ORGANIZED RETAIL CRIME.

(a) IN GENERAL.—Title III of the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. 4341 et seq.) is amended by inserting after section 305 the following:

“SEC. 305A. ORGANIZED RETAIL CRIME COORDINATION CENTER.

“(a) DEFINITIONS.—In this section:

“(1) CENTER.—The term ‘Center’ means the Organized Retail Crime Coordination Center established pursuant to subsection (b)(1).

“(2) ORGANIZED RETAIL CRIME.—The term ‘organized retail crime’ includes—

“(A) any crime described in section 2314 or 2315 of title 18, United States Code; and

“(B) aiding or abetting the commission of, or conspiring to commit, any act that is in furtherance of a violation of a crime referred to in paragraph (1).

“(b) ORGANIZED RETAIL CRIME COORDINATION CENTER.—

“(1) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of the Combating Organized Retail Crime Act of 2023, the Secretary of Homeland Security shall direct the Executive As-
to establish the Organized Retail Crime Coordination Center.

“(2) DUTIES.—The duties of the Center shall include—

“(A) coordinating Federal law enforcement activities related to organized retail crime, including investigations of national and transnational criminal organizations that are engaged in organized retail crime;

“(B) establishing relationships with State and local law enforcement agencies and organizations, including organized retail crime associations, and sharing information regarding organized retail crime threats with such agencies and organizations;

“(C) assisting State and local law enforcement agencies with their investigations of organized retail crime groups;

“(D) establishing relationships with retail companies, sharing information with such companies regarding organized retail crime threats, and providing mechanisms for the receipt of investigative information on such threats;
“(E) establishing a secure system for sharing information regarding organized retail crime threats by leveraging existing information systems at the Department of Homeland Security and the Department of Justice;

“(F) tracking trends with respect to organized retail crime and releasing annual public reports on such trends; and

“(G) supporting the provision of training and technical assistance in accordance with subsection (c).

“(3) LEADERSHIP; STAFFING.—

“(A) DIRECTOR.—The Center shall be headed by a Director, who shall be—

“(i) an experienced law enforcement officer;

“(ii) appointed by the Director of U.S. Immigration and Customs Enforcement; and

“(iii) in the Senior Executive Service (as defined in section 3132 of title 5, United States Code).

“(B) DEPUTY DIRECTOR.—The Director of the Center shall be assisted by a Deputy Director, who shall be appointed, on a 2-year rota-
tional basis, upon request from the Executive Associate Director of Homeland Security Investiga-

“(i) the Director of the Federal Bureau of Investigation;

“(ii) the Director of the United States Secret Service; or

“(iii) the Chief Postal Inspector.

“(C) FEDERAL STAFF.—The staff of the Center shall include—

“(i) Special Agents and Analysts from Homeland Security Investigations; and

“(ii) detailed criminal investigators, analysts, and liaisons from other Federal agencies who have responsibilities related to organized retail crime, including detailees from—

“(I) U.S. Customs and Border Protection;

“(II) the United States Secret Service;

“(III) the United States Postal Inspection Service;

“(IV) the Bureau of Alcohol, Tobacco, Firearms and Explosives; and
“(V) the Drug Enforcement Administration.

“(D) State and Local Staff.—The staff of the Center may include detailees from State and local law enforcement agencies, who shall serve at the Center on a nonreimbursable basis.

“(4) Coordination.—

“(A) In general.—The Center shall coordinate its activities, as appropriate, with other Federal agencies and centers responsible for countering transnational organized crime threats.

“(B) Shared resources.—In establishing the Center, the Executive Associate Director of Homeland Security Investigations may co-locate or otherwise share resources and personnel, including detailees and agency liaisons, with—

“(i) the National Intellectual Property Rights Coordination Center established pursuant to section 305(a)(1); or

“(ii) other existing interagency centers within the Department of Homeland Security.
“(C) AGREEMENTS.—The Director of the Center, or his or her designee, may enter into agreements with Federal, State, local, and Tribal agencies and private sector entities to facilitate carrying out the duties described in paragraph (2).

“(D) INFORMATION SHARING.—Subject to the approval of the Director of the Center, information that would otherwise be subject to the limitation on the disclosure of confidential information set forth in section 1905 of title 18, United States Code, may be shared if such disclosure is operationally necessary. The Director may not delegate his or her authority under this subparagraph.

“(5) REPORTING REQUIREMENTS.—

“(A) INITIAL REPORT.—

“(i) IN GENERAL.—Not later than 1 year after the date of the enactment of the Combating Organized Retail Crime Act of 2023, the Secretary of Homeland Security shall submit a report regarding the establishment of the Center to—

“(I) the Committee on the Judiciary of the Senate;
“(II) the Committee on Homeland Security and Governmental Affairs of the Senate;

“(III) the Committee on the Judiciary of the House of Representatives; and

“(IV) the Committee on Homeland Security of the House of Representatives.

“(ii) CONTENTS.—The report required under clause (i) should include a description of—

“(I) the organizational structure of the Center;

“(II) the agencies and partner organizations that are represented within the Center;

“(III) any challenges that had to be addressed while establishing the Center;

“(IV) any lessons learned from establishing the Center, including successful prosecutions resulting from the activities of the Center;
“(V) recommendations for ways to strengthen the enforcement of laws involving organized retail crime;

“(VI) recommendations for ways to include organized retail crime within a holistic supply chain security enforcement framework;

“(VII) the intersections and commonalities between organized retail crime organizations and other organized theft groups, including supply chain diversion and theft; and

“(VIII) the impact of organized theft groups on the scarcity of vital products, including medicines, personal protective equipment, and infant formula.

“(B) ANNUAL REPORT.—Beginning on the date that is 1 year after the submission of the report required under subparagraph (A), the Director shall submit an annual report that describes the activities of the Center during the previous year to the congressional committees listed in subparagraph (A)(i).

“(c) TRAINING AND TECHNICAL ASSISTANCE.—
“(1) EVALUATION.—Not later than 180 days after the date of the enactment of the Combating Organized Retail Crime Act of 2023, the Secretary of Homeland Security and the Attorney General shall conduct an evaluation of existing Federal programs that provide grants, training, and technical support to State, local, and Tribal law enforcement to assist in countering organized retail crime.

“(2) EVALUATION SCOPE.—The evaluation required under paragraph (1) shall evaluate, at a minimum—

“(A) the Homeland Security Grant Program at the Federal Emergency Management Agency;

“(B) grant programs at the Office of Justice Programs within the Department of Justice;

“(C) relevant training programs at the Federal Law Enforcement Training Center.

“(3) REPORT.—Not later than 45 days after the completion of the evaluation required under paragraph (1), the Secretary of Homeland Security and the Attorney General shall jointly submit a report to the congressional committees listed in subsection (b)(5)(A)(i) that—
“(A) describes the results of such evaluation; and

“(B) includes recommendations on ways to expand grants, training, and technical assistance for combating organized retail crime.

“(4) Enhancing or modifying training and technical assistance.—Not later than 45 days after submitting the report required under paragraph (3), the Secretary of Homeland Security and the Attorney General shall jointly issue formal guidance to relevant agencies and offices within the Department of Homeland Security and the Department of Justice for modifying or expanding, as appropriate, the prioritization of training and technical assistance designed to counter organized retail crime.”.

(b) Clerical Amendment.—The table of contents for the Trade Facilitation and Trade Enforcement Act of 2015 (Public Law 107–296) is amended by inserting after the item relating to section 305 the following:

“Sec. 305A. Organized Retail Crime Coordination Center.”.