

April 13, 2017

The Honorable Fred Pepple, Chairman  
The Ohio Criminal Justice Recodification Committee  
1 Capital Square  
Columbus, OH 43215

Dear Chairman Pepple:

The Ohio Council of Retail Merchants and our 7,400 plus members stand in opposition to the proposed language under consideration by this committee that would increase the threshold for felony retail theft from the current \$1,000 to \$2,500.

Organized retail crime is at an all-time high. This past year, 83 percent of merchants surveyed as part of the annual Organized Retail Crime (ORC) study conducted by the National Retail Federation (NRF) reported an increase in theft. The Survey also found that of the 59 senior retail loss prevention executives interviewed, 100 percent stated their companies had experienced organized retail crime in the past year, making it the first time in the survey's history that all companies reported being a victim. The average loss, according to the National Retail Federation, was \$700,259 per \$1 billion in sales, a significant increase from \$453,940 last year.<sup>1</sup>

Reducing this penalty would come at the worst possible time for retailers in our State. Research has shown organized retail crime is financing and driving Ohio's crippling opioid epidemic. Drug kingpins use the addicted as proxies to steal from retailers and stockpile their merchandise. They often sell those products to unsuspecting consumers online. Criminals are well aware of the felony theft threshold and will often steal right up to the specified amount. Making this change will embolden this behavior, essentially providing a cost of living adjustment for criminals and make Ohio's opioid crisis even worse. It should be noted that if Ohio increases the threshold up to \$2,500, it would be the highest amongst our surrounding states.<sup>2</sup> For reference, the current threshold for neighboring states are as follows: PA-\$2,000; WV-\$1,000; KY-\$500; and IN- \$750.<sup>3</sup> Not only would this change reflect one of the largest increases in felony threshold changes since 2001, it would make Ohio one of the highest in the nation with Texas and Wisconsin.<sup>4</sup>

We strongly believe these penalties must remain in place or be strengthened so that the judicial system and law enforcement can effectively prosecute criminals and enforce our current statutes. To remain profitable and operate a safe business where customers feel welcome, retailers rely on

<sup>1</sup> National Retail Federation (October 2016) Organized Crime Survey, *NRF*, retrieved from <https://nrf.com/resources/retail-library/2016-organized-retail-crime-survey>

<sup>2</sup> Lawrence, A. (June 2015) Making Sense of Sentencing: State Systems and Policies. *National Conference of State Legislatures*, 2-3. Retrieved from <https://www.ncsl.org/documents/cj/sentencing.pdf>

<sup>3</sup> Ibid

<sup>4</sup> Ibid

Council Affiliates

the protections outlined in the current law which serve to effectively deter theft and appropriately prosecute serious offenders

In closing, we strongly encourage the committee to remove this language and keep in place Ohio statutes that protect both consumers and retailers.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Boehnke', written in a cursive style.

Alex T. Boehnke  
Manager of Public Affairs

CC: The Honorable John Eklund, Ohio Senate;  
The Honorable Matt Huffman, Ohio Senate;  
The Honorable Nathan Manning, Ohio House of Representatives;  
The Honorable Dorothy Pelanda, Ohio House of Representatives;  
The Honorable John Rogers, Ohio House of Representatives;  
The Honorable Cecil Thomas, Ohio Senate