

Hearing on “Beyond the Smash and Grab: Criminal Networks and Organized Theft”
Senator Grassley, Chairman
Questions for the Record

Hon. David J. Glawe

1. What is the biggest gap in our ability to combat the threats we’re facing from organized retail and supply chain crime?

NICB Response: Stronger deterrence and increased collaboration are keys to combating the sophisticated and often transnational criminal organizations that facilitate cargo theft. Currently, the criminal networks that engage in cargo and supply chain theft benefit from a legal framework that does not provide adequate deterrence—including through a lack of criminal forfeiture—as well as from fragmented law enforcement coordination and inadequate reporting. In fact, there is no uniform system or central repository for cargo crime reports or statistics, which has made it difficult for both the public and private sectors to fully understand and effectively confront the sheer scope of cargo crimes. While NICB has successfully worked alongside cargo theft task forces at every level of law enforcement, there remains confusion, for example, on where victims of cargo theft should turn to report incidents. Thus, we believe that cargo thefts are significantly underreported. The Combating Organized Retail Crime Act (CORCA) would help address these gaps through the creation of a Coordination Center to serve as a center of excellence for intelligence-gathering and information-sharing.

2. What gaps exist in our current visibility into the true scope and impact of supply chain/cargo theft?

NICB Response: One of the biggest gaps in our visibility is the fact that many cargo theft incidents are simply not reported to law enforcement, including because victims do not always know where they should go to report. This means that not only do we have insufficient data on the scope of the crime, but we also are losing opportunities to connect the dots across the sophisticated networks that these criminals are using to carry out their schemes. For instance, in 2024, cargo theft increased to a historic high—up 27% from 2023, with estimated losses exceeding \$1 billion. But other estimates suggest that cargo and supply chain losses may reach up to \$35 billion annually. We know that cargo theft is big business and big money, driven by big opportunity—but it may in fact be far bigger in impact than we currently know.

Additionally, organized cargo theft is an interstate and even transnational crime, which puts state and local law enforcement investigations at an inherent disadvantage. While state and local law enforcement have jurisdictional boundaries, fraudsters and organized criminal networks do not. A Coordination Center, such as the kind contemplated in CORCA, would serve as a key hub for intelligence-gathering, information-sharing, and operational coordination from a federal vantage point—reducing the ability for criminal organizations to evade accountability by simply crossing state or national borders.

3. What are some of the reasons there is difficulty in reporting accurate data on organized retail crime?

NICB Response: An accurate picture of cargo and supply chain crime remains a big challenge. Many incidents are simply not reported to law enforcement, as victims often do not know where to turn to report such incidents. And even incidents that are reported often lack specificity, such as the extent and value of the stolen goods and other key details that may aid law enforcement. To date, various law enforcement and cargo industry partners report diverse datasets to government and private industry sources, rather than to one central repository. Accordingly, while NICB and our partners have identified a significant growth in organized cargo theft—including an increase in the number of insurance claims relating to cargo theft—it is likely that the scope and impact of these crimes is far greater than we currently know.

4. What factors account for the discrepancies in data on organized retail crime?

NICB Response: As described above, an accurate picture of cargo and supply chain crime remains a big challenge. Many incidents are simply not reported to law enforcement, as victims often do not know where to turn to report such incidents. And even incidents that are reported often lack specificity, such as the extent and value of the stolen goods and other key details that may aid law enforcement. To date, various law enforcement and cargo industry partners report diverse datasets to government and private industry sources—such as to the FBI Uniform Crime Report and CargoNet—rather than to one central repository. Accordingly, while NICB and our partners have identified a significant growth in organized cargo theft—including an increase in the number of insurance claims relating to cargo theft—it is likely that the scope and impact of these crimes is far greater than we currently know.

For instance, in 2024, cargo theft increased to a historic high—up 27% from 2023, with estimated losses exceeding \$1 billion. But other estimates suggest that cargo and supply chain losses may reach up to \$35 billion annually. A federal Coordination Center—tasked under CORCA with “establishing a secure system for sharing information regarding organized retail and supply chain crime threats” and “tracking trends with respect to organized retail and supply chain crime”—would help provide uniformity and clarity in measuring the true scope of cargo theft crimes, which would in turn help ensure that appropriate resources are dispatched at the local, state, and federal levels to fight back.

5. How would the Organized Retail and Supply Chain Crime Coordination Center that my bill, the Combatting Organized Retail Crime Act, establishes help solve these problems?

NICB Response: As described above, to date there is no uniform system or central repository for cargo or supply chain crime reports or statistics, which has made it difficult for industry and state and local law enforcement to understand and effectively confront the full scope of the problem—particularly given its interstate and international reach. Moreover, many incidents are simply not reported to law enforcement, as victims often do not know where to turn to report such incidents. Incidents that are reported often lack specificity, such as the extent and value of the stolen goods and other key details that may aid law enforcement.

A federal Coordination Center—tasked under CORCA with “establishing a secure system for sharing information regarding organized retail and supply chain crime threats” and “tracking trends with respect to organized retail and supply chain crime”—would help provide uniformity and clarity in measuring the true scope of cargo theft crimes, which would in turn help ensure that appropriate resources are dispatched at the local, state, and federal levels to fight back. Additionally, this Center would serve as a center of excellence for intelligence-gathering—such as receiving incident reports from victims—and information-sharing, which would help drive a uniform strategy across all levels of law enforcement in combating cargo theft and responding to specific incidents.

Additionally, adopting consistent definitions, measures, and procedures in the cargo and supply chain theft space would be of value, and as a longstanding and neutral hub for intelligence- and information-sharing, NICB is well-positioned to assist in that effort. The Coordination Center contemplated CORCA would bring all valuable expertise to the table to help establish consistency across the private and public sectors in capturing the full scope and threat of organized cargo theft and other supply chain crimes like retail theft. Congress should not delay in creating and supporting this Coordination Center, and NICB stands ready to provide its support in any capacity.

6. The Organized Retail and Supply Chain Crime Coordination Center is charged with establishing relationships with state and local law enforcement, along with the retail and transportation industries, in an effort to share information and coordinate responses.

a. Why is it important to have law enforcement and private industry coordinate to share this information?

NICB Response: NICB knows firsthand the immense value of public-private partnerships, including vital information-sharing between private industry and law enforcement in a collaborative effort to combat criminals and fraudsters. For nearly 115 years, NICB has stood at the intersection of the insurance industry, insurance regulators, and law enforcement across the

country, helping to facilitate that communication and collaboration in the fight against insurance crime and to protect consumers. In fact, the information-sharing and public-private partnerships that NICB facilitates have even helped solve some of the most devastating terrorist attacks and vehicle-related crimes on U.S. soil, including the 1993 World Trade Center bombing and 1995 Oklahoma City bombing. Without bringing the public and private sectors together in a joint partnership to combat crime, these and other criminal acts would likely have proved far more difficult, if not impossible, to investigate and successfully prosecute.

Moreover, criminals and fraudsters are coordinated—often within sophisticated, organized networks—thus, industry and law enforcement should be too. Private industry provides a direct perspective on the tactics criminals are using to attack our supply chain and possesses unique insight and intelligence into the vulnerabilities that are being exploited. Similarly, law enforcement has unique tools at its disposal and visibility into sophisticated criminal networks that private industry simply does not. Bringing these two vantage points together is critical, and it is what NICB serves to do every day in the insurance industry through the reporting of fraudulent insurance claims and the issuance of intelligence reports and alerts to our members and law enforcement partners.

This reporting process provides NICB unique, unmatched visibility into organized crime and theft trends nationwide that directly target or impact the insurance industry. Our expert analysts can identify trends and patterns that are visible only from NICB’s multi-state, multi-carrier vantage point. NICB shares this vital information to our members and other strategic partners—through intelligence reports and actionable insights—to alert them of potentially overlapping networks of insurance fraudsters. For example, in 2024 alone, NICB received over 180,000 reports from insurers about suspicious activity and fraud connected to policies they underwrite. Through these reports and related sources, NICB identified over 1,600 organized crime rings and issued over 2,200 alerts to our members and partners.

In the same way, a Coordination Center would serve as the hub of intelligence-gathering and information-sharing in the fight against organized cargo and supply chain theft. A Coordination Center would be best positioned to put the pieces together in identifying complex criminal networks, and would help steer law enforcement resources in a more strategic manner toward disrupting and ultimately prosecuting these operations.

- 7. The Organized Retail and Supply Chain Crime Coordination Center led by Homeland Security Investigations brings together multiple players to solve this problem. At a federal level, Customs and Border Protection, Secret Service, Postal Inspection Service, ATF, DEA, FBI, and the Federal Motor Carrier Safety Administration are all to staff the Organized Retail and Supply Chain Crime Coordination Center.**

a. What advantages do these agencies bring to the table?

NICB Response: Each of these agencies would bring vital expertise, specialized tactics and intelligence, dedicated law enforcement professionals, and unique vantage points to the Coordination Center. Bringing all of these assets to the table is vital in developing an effective, cohesive response to organized cargo theft.

For example, NICB has a longstanding partnership with CBP, and is in fact embedded with CBP at major ports from coast to coast to provide operational support in investigating and interdicting cargo crimes and vehicle theft. CBP possesses a deep knowledge and expertise in combating the illegal export of stolen goods, including the specific tactics that criminal organizations use to conceal everything from stolen sports drinks to sports cars inside outbound shipping containers. In September 2024, NICB and CBP announced our latest partnership, “Operation Terminus,” to prevent stolen vehicles from being smuggled out of the country through cargo containers at seaports around the nation. Through this joint operation, NICB agents—working alongside CBP officers—have inspected shipping containers and discovered multiple high-end vehicles worth more than \$100,000 each, resulting in recoveries worth millions of dollars. Many of the recovered stolen vehicles were bound for several different countries in Africa. Additionally, our joint operations recovered hundreds of rounds of various caliber ammunition that were concealed in vehicles destined for Nigeria and other African ports.

As discussed at the hearing, we know that the proceeds from organized cargo theft are often used to further other illicit and violent criminal activities, including drugs and weapons trafficking and even terrorism. Accordingly, the Coordination Center would greatly benefit from the expertise and intelligence of ATF, DEA, and FBI—federal agencies that are charged with countering weapons and drug trafficking, as well as combating domestic and international terrorism.

The FMCSA also brings unique expertise into the tactics of organized cargo theft operations that target our nation’s trucking and logistics industries, including tactics that involve identity theft and fake documentation. For example, the FMCSA helps combat broker and carrier fraud—a form of strategic cargo theft—that involves cargo thieves exploiting a motor carrier’s assigned USDOT number or acting as a broker without being registered with the FMCSA. The agency also issues fraud alerts on developing tactics by organized cargo theft operations, including double-brokering fraud, which involves organized crime groups posing as legitimate dispatchers who then direct trucking carriers to re-route entire loads of cargo to an unauthorized location or to a subcontracted carrier that is, in fact, part of an organized theft scheme.

As CORCA already contemplates, DHS is a wholly appropriate department to serve as both the hub for and a participant in (through its component agencies) the Coordination Center. DHS component agencies currently maintain authority to investigate all manner of crimes including, for example: drug and weapons smuggling; cybersecurity crimes; illegal technology exports; intellectual property crimes; trade fraud; financial fraud schemes; identity and benefits fraud; wildlife trafficking; child exploitation; human trafficking; human smuggling; human rights

violations and war crimes; terrorism; transnational gangs; and national security threats.¹ Additionally, DHS already maintains concurrent jurisdiction over the investigation of cargo theft, along with FBI and other agencies,² and it routinely coordinates with DOJ—as well as state and local prosecutors—to prosecute those cases.

Finally, it is critical to note the value of bringing the experience and expertise of the private sector to the table alongside each of these federal agencies. NICB strongly supports CORCA’s instruction that the Coordination Center help establish relationships between law enforcement and retail crime and cargo theft associations, and we stand ready to support the Center with our expertise, intelligence, and on-the-ground resources. NICB’s history can attest to the fact that our collective fight against fraudsters and organized crime is strengthened through public-private partnerships. For decades, NICB has been a trusted partner of law enforcement at all levels, assisting with investigations and facilitating vital information-sharing that helps uncover and defeat complex insurance crime networks. We bring industry and government together in a shared mission of detecting, deterring, and preventing insurance crime. In the same way, NICB stands ready to be a key source and facilitator for HSI within the cargo theft space, providing timely insights from our multi-carrier, multi-state vantage point into theft trends, tactics, recoveries, and all other valuable data points that would support the Coordination Center’s mission.

b. Why are their viewpoints crucial to this effort?

NICB Response: See above answer. Each of the departments and agencies listed above would bring vital expertise, specialized tactics and intelligence, dedicated law enforcement professionals, and unique vantage points to the Coordination Center. Bringing all of these assets to the table, alongside the private sector, is vital in developing an effective, cohesive response to organized cargo theft.

c. Why should HSI lead the Center?

NICB Response: HSI is especially well-suited to operate this Coordination Center, given its longstanding expertise in combating interstate and transnational crime like cargo theft that

¹ See, e.g., <https://www.ice.gov/about-ice/hsi/investigate>.

² See, e.g., 19 U.S.C. §§ 482 and 1401; see also DOJ/DHS OIG Joint Report, *A Joint Review of Law Enforcement Cooperation on the Southwest Border between the Federal Bureau of Investigation and Homeland Security Investigations*, OIG-19-57, July 2019 (“HSI holds broad legal authority to enforce over 400 federal statutes, including [many overlapping with FBI.]”; and 28 U.S.C. §§ 509, 510, 533, 534; 18 U.S.C. § 3107; and 28 C.F.R. § 0.85, under which the Attorney General delegated a number of statutory authorities to the FBI Director, including the authority to “investigate violations of the laws, including the criminal drug laws, of the United States and collect evidence in cases in which the United States is or may be a party in interest, except in cases in which such responsibility is by statute or otherwise exclusively assigned to another agency.” See also <https://www.fbi.gov/about/faqs/where-is-the-fbis-authority-written-down>.

threatens our economy and national security. In addition to its partnerships with other DHS components, such as CBP, that directly confront cargo crime threats, HSI has an established track record in bringing industry and law enforcement together to combat organized supply chain crimes, including organized retail theft and organized cargo theft. For example, through Operation Boiling Point, HSI directly targets organized supply chain crimes through partnerships with private industry, including the Transported Asset Protection Association (TAPA) and other industry representatives.³ HSI has already established partnerships with law enforcement agencies, non-governmental organizations, and private industry to better coordinate a national response to supply chain crimes. By charging HSI with the establishment and management of a formal Coordination Center, CORCA will strengthen and formalize the work already underway at HSI in creating an effective public-private partnership against organized cargo theft.

³ See <https://www.ice.gov/about-ice/hsi/news/hsi-insider/op-boiling-point>.

Questions for the Record from Senator Alex Padilla
Senate Judiciary Committee
“Beyond the Smash and Grab: Criminal Networks and Organized Theft”
Tuesday, July 15, 2025

Questions for Mr. David Glawe

- 1. NICB frequently cites aggregated “shrink” data to describe the scope of organized retail crime. How do you distinguish between ORC, internal theft, mismanagement, and other non-criminal causes of inventory loss? Should Congress require standardized definitions and metrics before legislating in this space?**

NICB Response: The National Insurance Crime Bureau (NICB) sits at the intersection of the insurance industry, insurance regulators, and law enforcement across the country in our joint mission of combating insurance crime and fraud that harms consumers. NICB is a trusted and neutral facilitator of state-mandated insurance crime- and fraud-reporting—serving as key partner of state insurance commissioners, fraud bureaus, and prosecutors. In fact, as mentioned in the hearing, NICB is codified by name or mission scope into many states’ reporting statutes, regulations, or immunities as an authorized recipient of insurance fraud reports.

Because the act of insurance fraud reporting is a matter of insurer compliance with state statute, NICB receives insurance crime or fraud referrals relating to claims activity only after a member-insurer has first determined—consistent with the respective state’s fraud reporting laws—that a particular claim rises to a sufficient level of suspiciousness or criminal indicators to warrant reporting.

The fraud reporting process—which serves to strengthen information-sharing and collaboration—gives NICB a unique line of sight over multi-state, multi-carrier insurance crimes and fraud trends that harm consumers. In 2024 alone, NICB received over 180,000 reports from its members. Armed with this unique insight, NICB identified over 1,600 organized crime rings and issued over 2,200 alerts to our members and partners.

NICB does not itself collect or utilize shrink data relating to retail crimes. However, consistent with the above-described process, NICB facilitates fraud referrals to state insurance commissioners and law enforcement that concern insurance-related crimes, including cargo theft. And through those referrals, we see a striking increase in reports of cargo theft. For example, from 2022 through 2024, the number of cargo theft questionable claims reported to NICB increased 105%. As with any type of insurance crime or fraud, the reports of which NICB relays to state regulators and law enforcement, NICB’s law enforcement partners ultimately determine whether to further investigate a report or pursue an indictment.

To date, however, there remains no uniform system or central repository for cargo crime reports or statistics, which has made it difficult for industry and state and local law enforcement to understand and effectively confront the full scope of the problem—particularly given its interstate and international reach. In that regard, NICB agrees that having consistent definitions, measures, and procedures in the cargo and supply chain theft space would be of value, and as a longstanding and neutral hub for intelligence- and information-sharing, NICB is well-positioned

to assist in that effort. Fortunately, the Coordination Center contemplated by S. 1404, the Combating Organized Retail Crime Act (CORCA), would bring all valuable expertise to the table to help establish consistency across the private and public sectors in capturing the full scope and threat of organized cargo theft and other supply chain crimes like retail theft. Congress should not delay in creating and supporting this Coordination Center, and NICB stands ready to provide its support in any capacity.

2. Given the lack of uniform ORC reporting standards, what steps can federal agencies take to ensure that enforcement efforts are based on verified, disaggregated data rather than industry estimates?

NICB Response: In NICB’s experience, including through our embedded agents with federal law enforcement officials at our nation’s major ports, enforcement against insurance crime and fraud is already data- and intelligence-driven. First, enforcement efforts stem at least in part from cargo theft reporting data—separate and distinct from industry estimates. Moreover, while NICB develops threat assessments that help our members and partners better position themselves going forward against emerging trends and tactics, our analytics also help identify specific, active fraud and theft rings—including over 1,600 in 2024 alone. For example, NICB recently assisted the United States Attorney’s Office for the Eastern District of Wisconsin in a multi-year investigation and eventual indictment of a major interstate car theft ring.⁴ This collaboration was not the result of industry estimates but, rather, a coordinated response to an identified active crime ring preying on consumers in the Midwest. In the same way, the Coordination Center contemplated by CORCA would help bring together all sources of intelligence to identify active, transnational organized crime rings targeting our supply chains and coordinate the appropriate law enforcement response at the local, state, and federal levels.

3. Many of the proposed legislative responses—including CORCA—frame retail theft as a national security threat. From your experience in homeland and economic security, what are the risks of expanding national security tools like surveillance and data collection to address non-violent economic offenses?

NICB Response: Like other organized supply chain crimes, organized cargo theft is a national security threat. NICB knows firsthand that goods and property stolen by organized criminal actors in the United States are often routed out of our country to finance or otherwise support further criminal activity that directly threatens our national security. For example, from 2022 to 2024, NICB special agents recovered and repatriated over 8,000 vehicles from Mexico that were stolen in the U.S. NICB is also embedded with Customs and Border Protection (CBP), assisting with vehicle and cargo theft interdictions at major U.S. ports, through which organized transnational criminal groups attempt to export stolen property.

In September 2024, NICB and CBP announced “Operation Terminus” to prevent stolen vehicles from being smuggled out of the country through cargo containers at seaports around the nation. Through this joint operation, NICB agents—working alongside CBP officers—have inspected

⁴ <https://www.justice.gov/usao-edwi/pr/twenty-three-members-interstate-car-theft-ring-charged-federal-court-0>

shipping containers and discovered multiple high-end vehicles worth more than \$100,000 each, resulting in recoveries worth millions of dollars. These are not non-violent economic offenses. They are orchestrated efforts by sophisticated and often-violent transnational criminal organizations, including the Sinaloa cartel and Armenian Mafia. As with many forms of stolen goods and cargo, we know that exported stolen vehicles are often laundered or resold to support other illicit activities such as drug and weapons smuggling, and even international terrorism.

The Coordination Center contemplated by CORCA would help develop a strategic, public-private approach to combating organized supply chain crimes. Congress is empowered to conduct oversight of the Coordination Center's activities to ensure that any new authorities or resources are appropriately directed at deterring and defeating these transnational threats to our economy and national security.

4. The CORCA bill would place enforcement responsibility for organized retail theft with DHS. Given DHS's immigration mission and history of surveillance overreach, do you believe it is the appropriate agency to lead property crime enforcement?

NICB Response: As described above, NICB has a longstanding operational partnership with CBP—a component of DHS—in combating transnational cargo and vehicle thefts. Recently, for example, NICB provided operational support to a joint law enforcement effort by the CBP Outbound Enforcement Team, California Highway Patrol Foreign Export and Recovery team, and the California Highway Patrol Cargo Theft Interdiction Program in the inspection and identification of stolen televisions that were being exported to Panama. As described above, NICB also works in direct partnership with CBP on “Operation Terminus.”

CORCA contemplates that Homeland Security Investigations (HSI)—another component of DHS—would serve as the Coordination Center for the federal response to organized cargo and supply chain theft. HSI is especially well-suited to operate this Coordination Center, given its longstanding expertise in combating transnational crime like cargo theft that threatens our economy and national security. Congress is empowered to conduct oversight of the Coordination Center's activities to ensure that any new authorities or resources are appropriately directed at deterring and defeating these transnational threats to our economic and national security.

5. What guardrails should be in place to ensure that consumer and business data shared under CORCA is not repurposed for unrelated enforcement activity, such as immigration?

NICB Response: Through CORCA, Congress can charge the Coordination Center with the appropriate prioritization of efforts on the vetting of goods and cargo that leave our country, as well as on the vetting of persons entering our country to protect against threats from criminals affiliated with transnational criminal organizations that engage in cargo and supply chain theft, such as the Sinaloa cartel. The bill already contemplates guardrails by compelling the Coordination Center to “establish[] a secure system for sharing information regarding organized retail and supply chain crime threats by leveraging existing information systems at the

Department of Homeland Security and the Department of Justice,” and it compels the Coordination Center to submit annual reports of its activities to oversight authorities, including this Committee. The Center is also subject to a sunset provision, requiring Congress to revisit the Center’s value and effectiveness before any reauthorization. Beyond the required reporting and sunset in CORCA, Congress is empowered at any time to conduct oversight of the Coordination Center’s activities to ensure that any new authorities or resources are appropriately directed at deterring and defeating these transnational threats to our economic and national security.

6. CORCA authorizes DHS to override confidentiality protections under 18 U.S.C. § 1905. What kinds of sensitive business or consumer data would be shared under this provision, and what mechanisms—if any—would exist to audit or review such disclosures?

NICB Response: CORCA contemplates a public-private partnership that would serve as a center of excellence for intelligence-gathering and information-sharing regarding supply chain crime “threats, collaborating on investigations and loss prevention activities as appropriate, and providing a mechanism for the receipt of investigative information on such threats.” As stated at the hearing, this kind of information-sharing is vital in our joint effort to combat organized transnational threats. To date, there is no uniform system or central repository for cargo crime reports or statistics, which has made it difficult for industry and state and local law enforcement to understand and effectively confront the full scope of the problem—particularly given its interstate and international reach.

NICB understands that the information-sharing between and among law enforcement and industry that is contemplated by CORCA—pursuant to the waiver of 18 U.S.C. § 1905—is only “if such disclosure is operationally necessary,” and the waiver itself is non-delegable. These are important protections that will facilitate the vitally important intelligence-gathering and information-sharing process established under CORCA. Additionally, Congress is empowered at any time to conduct oversight of the Coordination Center’s activities.

7. How would embedding enforcement within DHS, rather than DOJ, impact prosecutorial discretion, transparency, and civil liberties? Are there risks to bypassing traditional judicial and oversight structures?

NICB Response: NICB does not anticipate any such impact or risks. First, DHS components currently maintain authority to investigate all manner of crimes including, for example: drug and weapons smuggling; cybersecurity crimes; illegal technology exports; intellectual property crimes; trade fraud; financial fraud schemes; identity and benefits fraud; wildlife trafficking; child exploitation; human trafficking; human smuggling; human rights violations and war crimes; terrorism; transnational gangs; and national security threats.⁵ DHS already maintains concurrent jurisdiction over the investigation of cargo theft, along with FBI and other agencies.⁶

⁵ See, e.g., <https://www.ice.gov/about-ice/hsi/investigate>.

⁶ See, e.g., 19 U.S.C. §§ 482 and 1401; see also DOJ/DHS OIG Joint Report, *A Joint Review of Law Enforcement Cooperation on the Southwest Border between the Federal Bureau of Investigation and Homeland Security*

DHS routinely coordinates with DOJ—as well as state and local prosecutors—to prosecute those cases.

Under CORCA, HSI would serve as the Coordination Center for intelligence-gathering and information-sharing, and it would help coordinate a unified strategy against transnational threats to our supply chains. CORCA contemplates that the Coordination Center would be staffed by Department of Justice personnel, among other appropriate subject matter experts, and it would be required to “coordinate its activities ... with other Federal agencies and centers responsible for countering transnational organized crime threats.” Moreover, CORCA compels annual reporting to all appropriate committees of jurisdiction, including this Committee, to ensure proper oversight.

Both DHS and FBI are vital partners, with unique strengths and expertise of their own, in the fight against organized, transnational cargo theft and other crimes of international scope and impact. The Coordination Center would bring the best of our federal workforce to the table—in a vital public-private partnership—in combating organized cargo theft, all under appropriate oversight protections already built into the bill.

Additionally, NICB has long worked closely with both DHS and DOJ in supporting cargo theft and other insurance-related crime investigations, and we concur with CORCA’s approach in bringing these partners together in a united mission to protect Americans from organized criminal threats. As noted at the hearing, NICB would also support additional resources for dedicated investigative and prosecutorial units at DOJ that would work in tandem with the Coordination Center and focus exclusively on cargo theft as an increasing threat to our economy and national security.

8. Should Congress be concerned that expanding money laundering and forfeiture statutes to cover retail theft—traditionally a state-level offense—could lead to excessive penalties and erosion of due process?

NICB Response: Organized cargo theft, like organized retail theft, results in increased costs for all consumers. The interstate and transnational organized theft rings that facilitate these crimes are inherently at an advantage when law enforcement’s response and investigative capabilities are limited by state and local jurisdictional boundaries. CORCA would increase deterrence by providing for criminal forfeitures under Title 18 following convictions for the interstate shipment or transportation of stolen goods, as well as for the sale or receipt of stolen goods. Adding forfeiture as an additional tool for prosecutors sends a strong signal that it does not pay to facilitate or profit from organized cargo theft. Additionally, prosecutors would retain the same discretion they currently have in evaluating whether to bring a case to indictment. Organized,

Investigations, OIG-19-57, July 2019 (“HSI holds broad legal authority to enforce over 400 federal statutes, including [many overlapping with FBI.]”; and 28 U.S.C. §§ 509, 510, 533, 534; 18 U.S.C. § 3107; and 28 C.F.R. § 0.85, under which the Attorney General delegated a number of statutory authorities to the FBI Director, including the authority to “investigate violations of the laws, including the criminal drug laws, of the United States and collect evidence in cases in which the United States is or may be a party in interest, except in cases in which such responsibility is by statute or otherwise exclusively assigned to another agency.” See also <https://www.fbi.gov/about/faqs/where-is-the-fbis-authority-written-down>.

transnational threats compel a unified, coordinated response at the federal level. And any concern about the application of these enhanced authorities may be mitigated through oversight, including the annual reporting process already prescribed in CORCA.

9. Should the federal government maintain a clear distinction between organized crime and economically motivated offenses, and what steps can be taken to prevent federal prosecution of low-level individuals swept up in broader enforcement?

NICB Response: NICB is a longstanding partner of law enforcement and is embedded with agencies and task forces across the country at the local, state, and federal levels. NICB sees firsthand the nature of organized cargo theft. These are not non-violent economic offenses. Rather, they are orchestrated efforts by sophisticated and often-violent transnational criminal organizations, including the Sinaloa cartel and Armenian Mafia. If CORCA were enacted, federal prosecutors would retain the same discretion they currently have in evaluating whether to bring a case to indictment; however, they would be better equipped to combat the transnational criminal organizations that are preying upon our supply chains in furtherance of other criminal activities.

10. Should third-party sellers be subject to expanded tracking or reporting requirements even when their sales take place offline or outside traditional e-commerce platforms? If so, how should Congress balance enforcement with consumer privacy?

NICB Response: NICB views CORCA as a force multiplier of other recent measures that protect consumers, including the INFORM Consumers Act, which Congress enacted in 2022. Together, these measures would be part of a vitally important fabric of deterrence and coordination that puts us all in the best position to combat these highly sophisticated supply chain crimes and the networks that facilitate them.

One of the key purposes of the Coordination Center would be to provide Congress—including this Committee—with “recommendations for ways to strengthen the enforcement of laws involving organized retail and supply chain crime.” NICB believes that the Coordination Center, as a critically necessary public-private partnership with all voices at the table, would serve an important role in determining whether recent congressional efforts, such as the INFORM Consumers Act, should be expanded to capture sales that take place offline or outside traditional e-commerce platforms. Through the establishment of this Coordination Center, we all would be best informed about additional gaps in enforcement authorities, if any.