

September 14, 2022

The Honorable Chuck Schumer Majority Leader U.S. Senate Washington, DC 20510

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515 The Honorable Mitch McConnell Republican Leader U.S. Senate Washington, DC 20510

The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives Washington, DC 20515

RE: INFORM Consumers Act

Dear Leader Schumer, Speaker Pelosi, and Republican Leaders McConnell and McCarthy:

Today, the National Retail Federation <u>released</u> its annual <u>National Retail Security</u> <u>Survey</u>. This annual survey was conducted among senior loss prevention and security executives across the retail industry. As a percentage of total U.S. retail sales, annual retail shrink increased in 2021 to \$94.5 billion. Retailers also reported a 26.5% increase in organized retail crime (ORC) over 2020.

We write today to urge you to take immediate action on the bipartisan Integrity, Notification, and Fairness in Online Retail Marketplaces for Consumers (INFORM Consumers) Act. The surge in organized retail crime (ORC) has been detrimental to retailers, employees, consumers and the economy. Protecting the American consumer — no matter how they shop — is of the utmost priority. In addition to the overall increase in ORC, more than 80% of retailers have reported an increase in violence and aggression tied to these crimes. Much of the stolen products end up being sold online and through other avenues.

NRF is the world's largest retail trade association, representing discount and department stores, home goods and specialty stores, Main Street merchants, grocers, wholesalers, chain restaurants and internet retailers from the United States and more than 45 countries. Retail is the nation's largest private-sector employer, supporting one in four U.S. jobs — 52 million working Americans. Contributing \$3.9 trillion to annual GDP, retail is a daily barometer for the nation's economy.

ORC is a national problem affecting retailers both large and small that warrants federal intervention. The INFORM Consumers Act is a critical part of the solution. By requiring online marketplaces to verify the identity of high-volume third-party sellers, the bill makes it more difficult to fence stolen merchandise online, thereby reducing demand for stolen products.

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The bill has garnered overwhelming bipartisan support, as well as support from industry and law enforcement since it addresses both retail and consumer safety concerns. Likewise, the bill will ensure that small businesses can continue to operate online without an undue burden of compliance regulations that will continue to vary state by state without the implementation of a federal, uniform standard.

We respectfully ask that you join with your colleagues to swiftly pass the INFORM Consumers Act and send it to the President. Thank you for your consideration.

Sincerely,

David French

Senior Vice President Government Relations

cc: Members of the U.S. Senate

Members of the U.S. House of Representatives