



Thursday, January 25, 2024

Testimony of the Collective Action to Protect our Stores (CAPS) Coalition

Before the

**New York State Senate Committee on Finance
New York State Assembly Committee on Ways and Means**

Regarding

The Fiscal Year 2025 Executive Budget Proposal on Public Protection

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Thank you to the esteemed Members of the Senate Finance and Assembly Ways and Means Committees for the opportunity to provide written testimony on the New York State Proposed Fiscal Year 2025 Budget, specifically relating to the area of Public Protection.

We are the Collective Action to Protect our Stores Coalition, also known as CAPS. Our coalition is comprised of over 10,000 diverse small businesses throughout New York City and New York State who have come together to advocate for both greater protections for retail workers who are victims of assault and for stronger statutory provisions to tackle the pervasive issue of retail theft, particularly as it relates to repeat offenders.

New York State's independent supermarkets, bodegas, and local mom and pop retail shops are the backbone of our communities, especially for our communities of color. From hiring our local residents to providing access to healthy, fresh, culturally responsive foods and daily necessities for families, our workers keep neighborhoods running 24 hours a day, 7 days a week. We take pride in being essential workers, and we take our responsibility seriously, risking our lives at the height of the COVID-19 pandemic and stepping up in the 70's and 80's to ensure that underserved communities were not without access to food and other essentials.

With the foregoing as a backdrop, our jobs are made even harder due to a marked increase in retail theft and violence against retail employees. According to a [recent study by the Council on Criminal Justice](#), "Among the cities, New York (+64%) and Los Angeles (+61%) recorded the biggest growth in recorded shoplifting from mid-year 2019 to mid-year 2023." This rise in crime has hit independent supermarkets and small retail businesses hard. Indeed, some have hired private security. New Yorkers expect and deserve to feel safe when they shop – but right now,

for too many, they simply do not. This impacts the stores that lose money, workers who are harmed, and consumers who are worried about feeling safe to shop.

By the Numbers

- Stores across New York state lost an estimated \$4.4 billion in revenue each year due to retail theft.
- Repeat theft is on the rise: 386 offenders account for 30% of New York City's nearly 34,000 retail theft arrests as of July 2023. Recidivists were arrested nearly 4,500 times - averaging about 6 times each.
- Merchants have made approximately 63,000 complaints - most going unresolved. As a result, shoplifting is vastly underreported and shopkeepers are putting themselves in harm's way to resolve altercations.

This is an entirely untenable situation, and something must be done to rectify it before more stores close or workers are harmed. We need your help, and time is of the essence. In our efforts to address these issues, we have engaged in productive dialogue with the NYPD Crime Control Strategies Unit and local district attorneys who are working diligently to bring these offenders to justice and preserve the safety of our businesses and communities. In our discussions, one thing became clear: district attorneys and other law enforcement entities, while doing their best to tackle the issue of repeat retail theft, much of which is organized retail theft, do not have the necessary resources, both financial and statutory (i.e. discretion to combine repeat petit larceny offenses into a grand larceny charge, and prohibiting the resale of stolen goods), to adequately combat and prosecute these crimes, especially in light of recent upticks.

We applaud Governor Hochul's proposal to allocate \$40.2 million for retail theft prevention efforts in FY25. Of that total, \$25.2 million in new funding will be allocated to the State Police team to build cases against organized retail theft rings and create a new State Police enforcement unit. Also included is \$10 million in funding for District Attorneys to prosecute property crime cases and \$5 million in additional funding to build the capacity of local law enforcement efforts to combat retail theft. We hope the Legislature will support our Governor in her efforts to ensure our law enforcement agencies have what they need to protect everyday New Yorkers and the institutions that make up the fabric of our communities.

In addition to budget allocations, the Governor proposed several policy bills to address our issues as well which we fully support. Included is a proposal to increase the penalties of an assault of a retail worker, an important component for our fight against violent perpetrators, and a policy to make it illegal to foster the sale of stolen goods. Additionally, the establishment of the commercial security tax credit will help business owners offset the costs of retail theft prevention measures through a \$3,000 tax credit for small businesses spending more than \$12,000 on security measures. CAPS applauds Governor Hochul for the inclusion of these important policies to ensure our workers are safe and the livelihood of our businesses are protected.

All of this being said, we do see additional opportunities for investment in the safety and security of our neighborhoods throughout the State, particularly in New York City. We would like to see included policy that would raise a subsequent offense to grand larceny, another means to

combat repeat offenders. Additionally, we ask that funds be set aside in the FY2025 budget to create a statewide public service announcement and public awareness campaign against retail theft to send a strong message that such crimes and violence against our retail workers cannot and will not be tolerated in New York State. Lastly, we ask that the Legislature and the Governor consider funding enhancements to direct shoplifters experiencing mental health and substance abuse issues to the care they need and deserve, and away from the criminal justice system where appropriate.

Again, the Collective Action to Protect our Stores Coalition thanks the New York State Senate Committee on Finance and the Assembly Committee on Ways and Means for the opportunity to testify on the topic of Public Protection for the FY2025 Executive Budget. We look forward to a continued, good faith dialogue and collaborative relationship with you and the Governor's Office to improve our State's safety, and to ensure the longevity of a beloved, critical piece of our State's economic engine: our small businesses.