

Testimony – SB 2166
January 18, 2021 – Senate Judiciary Committee

Madam Chair Larson and Members of the Senate Judiciary Committee:

For the record, I am Tyler Halm, Vice President of SCHEELS and current Store Leader of the Bismarck SCHEELS store. SCHEELS has 4 retail locations in the state of North Dakota. I am also a board member of the North Dakota Retail Association where are membership represents over 700 retail store fronts in North Dakota. All ND retailers deal with varying degrees of retail theft, with the majority of them seeing an uptick in recent years, some seeing a substantial uptick. Specifically we have noticed a trend with repeat offenders. SCHEELS and our Association urges a **“Do PASS” recommendation on SB 2166.**

I want to start off sharing information from the National Retail Federation in a report they published on July 14th, 2020 in regards to national trends with retail theft. They estimated that theft, fraud and losses totaled \$61.7 billion in 2019, up from \$50.6 billion the year before. According to the report, shrink averaged 1.62 percent of sales during 2019, up from 1.38 percent in 2018 after hovering around 1.4 percent over the past few years. I can speak specifically to SCHEELS and can assure you that the trends in ND coincide with the national average for 2018 and 2019. We have yet to see national statistics for 2020, but SCHEELS stores have seen an increase again in 2020 over previous years.

SCHEELS is a private company, we keep our numbers and statistics private, but I can tell you that in 2020 we saw 460 shoplifting prosecutions out of our 4 ND stores. Our Bismarck location saw 149 shoplifting prosecutions, with 12% of those being repeat offenders to SCHEELS, not just repeat shoplifters, but repeat shoplifters to Bismarck SCHEELS. We saw an additional 36

suspects in our Bismarck location that were uncooperative and refused to stop in 2020. This number is up from only 13 in 2019, or nearly 3 times more than the previous year.

Rising incidents in theft, along with the increase in multiple offenders is largely due to the fact that criminals know if they stay below the felony threshold they are less likely to get prosecuted. Members of ORC gangs along with professional criminals often make multiple small thefts, staying below the felony threshold to avoid prosecution, which is why we are asking for repeat offenders to be aggregated and counted toward a felony threshold to reflect the serious nature of organized theft.

With the increase in "multiple offender" shoplifters it has created a more brazen shoplifter. They are educated as to what they can and cannot do to avoid an apprehension and they are not afraid to use it against us and/or put our staff and public in danger. I employ 2 Full Time associates and 6 Part Time associates in the Bismarck SCHEELS location just to combat this behavior. These are regular Men and Women who in the process of stopping shoplifting have apprehended individuals with drugs, drug paraphernalia, knives and even loaded handguns in 2020. I'm fearful that if we do not take a more aggressive approach today it will only be a matter of time before we're dealing with a more serious situation.

Let's continue to stay a step ahead of the criminals and get in front of this trend we are seeing by passing SB 2166. Again, SCHEELS and NDRA urges a **"Do PASS" recommendation on SB 2166.**

Multiple Offenders per Public Records as of 1/18/2021

Brently IronRoad – 42 Theft of Property Charges, 48 Trespass Charges

Shawn Felch – 28 Theft of Property Charges, 31 Trespass Charges

Monica Acevedo – 16 Theft of Property Charges, 1 Trespass Charge

David Reamann – 11 Theft of Property Charges

Joe Johns – 10 Theft of Property Charges, 10 Trespass Charges