



*Statement of*

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*Before the*

**Committee on the Judiciary  
Subcommittee on Crime and Federal Government Surveillance  
United States House of Representatives**

*Hearing on*

“Protecting Consumers and Businesses: Confronting Organized Retail Crime”

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## **Introduction:**

Chairman Biggs, Ranking Member McBath, and members of the Subcommittee, thank you for providing me with the opportunity to testify before you today. My name is Chris Spear, and I serve as the President and CEO of the American Trucking Associations (ATA). I am grateful for the invitation to share with this subcommittee the growing challenges that our members, the trucking industry, and our nation's supply chain are experiencing with organized cargo theft and related crimes.

ATA is a 90-year-old federation and the largest national trade organization representing the 8.4 million men and women working in the trucking industry. As a 50-state federation that encompasses 37,000 motor carriers and suppliers, ATA proudly represents every sector of the industry. From less-than-truckload to truckload carriers, from agriculture and livestock transporters to auto haulers and household goods movers, and from large fleets to mom-and-pop one-truck operators, ATA serves as the single unified voice of the trucking industry.

Trucking is the lifeblood of our economy, but prolific incidents of cargo theft are undermining our essential role. Brazen thieves acting with de facto impunity are robbing our industry to the tune of \$18 million per day.<sup>1</sup> The increased costs—from replacing stolen products to shouldering higher insurance premiums to investing in stronger security measures—are mounting. These added expenses put tremendous pressure on motor carriers, putting jobs and small businesses at risk.

The bottom line is that cargo theft is not a victimless crime. It's not just the manufacturers, motor carriers, and logistic service providers (LSPs) that are hurt. The American public is harmed because the goods that people are trying to buy are either not on the shelves or are priced higher than normal. As we approach the holiday season and Americans are looking to purchase goods for their loved ones, cargo theft has the potential to exacerbate inflation. In sum, there is a direct connection to rampant cargo theft and growing affordability concerns.

What has become clear from this growing threat is that more must be done. Greater coordination and information-sharing across the supply chain and at all levels of law enforcement are critical to connect the dots, identify trends, determine hot spots, and utilize innovative approaches to tackle this evolving threat. For that reason, I am grateful for the leadership of over 180 members of the House of Representatives, including a majority of the members of the House Judiciary Committee, in championing H.R.2853, the *Combating Organized Retail Crime Act (CORCA)*. This legislation will empower federal agencies to take a coordinating role with state, local, and industry partners as well as provide better tools to tackle the increasingly complex crimes targeting our interstate and international supply chains. This legislation is critical to address the growing threat of organized and sophisticated criminal networks.

Trucking is interstate by nature, which means the thieves targeting the cargo we haul are interstate as well. State and local governments often lack the resources and the legal jurisdiction to adequately investigate cross-border crimes. This is a clear federal responsibility. Only the U.S. government is equipped with the resources and the constitutional authority to pursue criminals across state and international lines.

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<sup>1</sup> American Transportation Research Institute (ATRI). (2025, October 8). "The Fight Against Cargo Theft: Insights from the Trucking Industry." <https://truckingresearch.org/2025/10/new-atri-research-confirms-the-high-costs-of-cargo-theft-to-industry/>

Thank you for convening today's hearing and providing an opportunity to discuss the challenges that cargo theft and related crimes pose to the trucking industry and our nation's supply chain. I look forward to working with this subcommittee, Congress and this Administration to promote the safety of our supply chains and efficient movement of our nation's goods.

### **The Challenge of Cargo Theft and Supply Chain Fraud:**

This hearing serves as a critical opportunity to highlight the explosion of cargo theft across the country and the incredible damage caused by these criminal activities. Earlier this year, the American Transportation Research Institute (ATRI), the trucking industry's research organization, surveyed motor carriers and LSPs to capture their experience with cargo theft, and in October released a report with staggering results. The following statistics—impacting an industry where over 90 percent of fleets are small companies operating ten or fewer trucks<sup>2</sup>—show only a snapshot of the scale of cargo theft that is plaguing the supply chain:

- Cargo theft costs motor carriers between \$1.83 billion and \$6.56 billion annually in direct and indirect costs;<sup>3</sup>
- The average loss per cargo theft incident is \$29,108 for motor carriers and \$95,351 for LSPs;<sup>4</sup>
- The estimated daily cost of cargo theft to the trucking industry is more than \$18 million;<sup>5</sup>
- 73.5% of cargo stolen from motor carriers is never recovered, and only 2% of motor carrier cargo theft incidents result in full recovery;<sup>6</sup>
- 65.3% of motor carriers surveyed experienced cargo theft in 2023;<sup>7</sup> and
- 100% of LSPs surveyed had cargo stolen in 2023.<sup>8</sup>

The nature of cargo theft has evolved as criminal organizations become more advanced. There are two main types of cargo theft:

- **Straight theft**, which refers to thieves physically stealing either a partial or full load of cargo from a shipment. Thieves typically target products that can be sold quickly and easily on the black market, making this one of the most immediately profitable forms of cargo theft.
- **Strategic theft**, which uses fraud and deception to trick shippers, brokers, and carriers into handing loads over to thieves posing as legitimate transportation providers. These schemes often rely on identity theft, falsified credentials, and increasingly high-tech cyber tactics to manipulate load data and routing information.

Straight theft is challenging for trucking and law enforcement to combat because thefts are almost always discovered upon delivery, which is frequently across state lines. Therefore, it can be difficult to know where the crime took place. That creates immediate jurisdictional challenges and reinforces why federal involvement, and strong support for state and local law enforcement, is essential.

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<sup>2</sup> <https://www.trucking.org/economics-and-industry-data>

<sup>3</sup> American Transportation Research Institute (ATRI). (2025, October 8). "The Fight Against Cargo Theft: Insights from the Trucking Industry." <https://truckingresearch.org/2025/10/new-atri-research-confirms-the-high-costs-of-cargo-theft-to-industry/>

<sup>4</sup> *Ibid*

<sup>5</sup> *Ibid*

<sup>6</sup> *Ibid*

<sup>7</sup> *Ibid*

<sup>8</sup> *Ibid*

Strategic theft, or theft by fraud, is a more elaborate form of theft, and it has grown at an alarming rate. In 2018, strategic theft accounted for 2.2% of cargo theft incidents. In 2023, that percentage had increased to 25% of all incidents.<sup>9</sup> These criminals are often members of Organized Theft Groups (OTGs) that operate massive networks within and outside the United States. Again, the scope and nature of these organizations create impossible challenges for state and local law enforcement authorities to handle alone and require the support and involvement of the federal government.

These groups are defined as “polycriminal.” The same networks that engage in supply chain theft and fraud show up in numerous other criminal activities: drug trafficking, human trafficking, weapons smuggling, and money laundering, to name just a few. The scope of these activities, and the organizations that carry them out, is international in scale. An editorial by Senator Todd Young from June stated, “With the rise of e-commerce, this crime domain includes sophisticated domestic and international groups from places like China, Eastern Europe, and Mexico. I’ve learned that these criminals not only hijack trucks and rob rail cars but also exploit vulnerabilities in the online ecosystem. They often concoct elaborate and fraudulent schemes to deceive businesses and other third parties and steal or hold their cargo hostage. Transnational groups are using complex tactics and technology to target high-value goods to steal and finance illegal activities like drug smuggling. And, because cargo theft takes so many forms from spoofing and fictitious pickups to phishing and identity theft, this crime is hard to spot and stop, enabling repeat offenders.”<sup>10</sup>

The shift from opportunistic thieves to powerful OTGs has given rise to more complex and convincing fraud operations. Less than a decade ago, when smaller and less sophisticated groups were apprehended by law enforcement, it would take around 6-7 months for them to restart theft operations. Currently, when law enforcement successfully disrupts a large criminal network, it takes 30 days or fewer for that group to resume their freight fraud operations, mainly because of the relative ease with which bad actors can reinvent operations online. The result is a constant, exhausting cycle that feels less like enforcement and more like an endless game of “whack-a-mole.”

There are several factors and trends that are responsible for the rise in both the frequency and sophistication of strategic theft. First, the COVID-19 global pandemic created the perfect environment for criminals to exploit a supply chain thrown into chaos by sudden swings in global supply and demand. Second, the rapid digitization of domestic and international supply chains has created new vulnerabilities and thus opportunities for OTGs to weaponize through the exploitation of gaps using ever-evolving cyber capabilities. These groups now steal freight remotely by taking advantage of the very technology our supply chain relies on to move cargo more efficiently. Third, the erosion of traditional, in-person direct transactions—once a cornerstone of supply chain relationships—has created further opportunities for vulnerability. Today, doing business with companies and drivers you’ve never met in person has become the norm, with almost all routine freight transactions occurring via load boards and online platforms, making it far easier for the criminals to pose as legitimate brokers or carriers and deceive unsuspecting supply chain partners. Finally, the lack of coordinated investigations and prosecutions has emboldened these actions. Thieves learned quickly that federal, state, and local law enforcement simply do not have the resources to stop them or the capacity to pursue sweeping multi-state investigations.

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<sup>9</sup> *Ibid*

<sup>10</sup> Young, Todd. “Cargo Theft is a Growing National Security Issue.” The Washington Times, June 24, 2025, <https://www.young.senate.gov/newsroom/press-releases/young-op-ed-cargo-theft-is-a-growing-national-security-issue/>

The impacts of these criminals are felt across all commodities, including our food and agriculture supply chains. Strategic theft schemes orchestrated by organized criminal groups risk the adulteration or loss of perishable goods, with potentially devastating financial results for agricultural shippers and transportation providers that ultimately result in higher prices for consumers. A single broken seal on perishable goods caused by pilferage can result in rejection of the entire load by the shipper or consignee. Agriculture shippers are often not able to salvage goods once seals are breached. If salvage is possible, the cost to reinspect agricultural cargo is typically thousands of dollars. Often, the agriculture shippers that we serve are the victims of random crimes on rail as thieves search for higher-value cargo. The number of agriculture shipments with broken seals is rising rapidly, and agriculture shippers are on the hook to cover the costs to replace these seals. Loads of poultry, meat, and other refrigerated products have been a frequent target of intermodal rail theft, vehicle and trailer theft,<sup>11</sup> fraudulent pick-up schemes,<sup>12</sup> and other nefarious strategies.

In general, thieves and fraudsters target goods that they can steal and sell quickly. Partly due to the diversity of opportunities in this space, food and beverage items are targeted frequently and were the most commonly stolen type of freight in 2024.<sup>13</sup> Thieves prefer food and beverage products because there is consistently high demand, law enforcement typically does not initiate investigations of perishable goods quickly, and it is nearly impossible to track these items after they have been stolen. As soon as the trucking industry, our supply chain partners, and law enforcement agencies identify theft trends and patterns, the criminals have already pivoted to new tactics and targets. Further risks occur when stolen agriculture, food, and beverage products are reintroduced into the legitimate marketplace and consumers who purchase those items may unknowingly consume adulterated goods, a considerable threat to public health and safety. These concerns were recently echoed in the Administration's *National Farm Security Action Plan*, which prioritizes the assessment of vulnerabilities associated with the storage and transportation of agricultural products.<sup>14</sup>

Many U.S. motor carriers across the country are expending significant capital to protect themselves against these crimes, but not every company has the resources to do so. Third-party vetting services exist and can be very effective for motor carriers and brokers, but those services come at a cost many small and mid-size carriers simply cannot absorb—particularly in today's challenging freight market. As a result, trucking companies often fall victim in one of two ways: either they lose significant sums of money through stolen freight, or they must spend significant sums of money for services and advanced security systems just to stay operational. As supply chain and cyber technologies evolve at a rapid speed, the cost of defending against these attacks only grows. Success in the transportation industry is no longer simply a matter of having the best drivers and the right equipment; it now requires motor carriers to invest in the strongest IT systems, the most diligent security personnel, and hardened physical infrastructure. These measures can only mitigate an issue that continues to escalate due to a lack of enforcement. In today's trucking environment, a strong defense is not optional; it is critical to ensure a company's survival.

At the end of the day, all these additional costs ultimately fall on the consumer. When carriers must spend more to secure the goods they haul, those costs flow directly to higher prices on the shelves. If

<sup>11</sup> Shike, J. "New Suspect in \$100K Chicken Heist May Be Linked to \$400K Meat Theft." Farm Journal, 17 October 2024, <https://www.porkbusiness.com/news/industry/new-suspect-100k-chicken-heist-may-be-linked-400k-meat-theft>.

<sup>12</sup> Kuntz, A. "What is Cargo Theft & How Can I Avoid It?" Trackonomy, 14 April 2025, <https://trackonomy.ai/newsroom/cargo-theft/>.

<sup>13</sup> Verisk CargoNet. (2025, January 21). 2024 supply chain risk trends analysis. <https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/>.

<sup>14</sup> United States Department of Agriculture. (2025, July 8). National Farm Security Action Plan. <https://www.usda.gov/sites/default/files/documents/farm-security-nat-sec.pdf>

motor carriers are forced to spend more for security of goods that they are hauling, those costs are inevitably passed on to the purchaser of those goods. Freight rates are also a key driver of inflation across the entire economy. Significant increases in carrier rates contribute directly to overall inflation, which is felt by consumers in purchases for everything from groceries to durable goods. Finally, increased costs can result in supply chain disruptions, in turn causing production delays. Disruptions in the supply chain can result in temporary shortages of key goods.

### **Why We Need the *Combating Organized Retail Crime Act*:**

Economic security is national security. The unfortunate reality is that our national security has been compromised because OTGs and Transnational Criminal Organizations (TCOs) have successfully infiltrated our domestic supply chains and exploited enforcement gaps in the stream of interstate commerce. The trucking industry and U.S. supply chains are both interstate and international by nature—goods cross state lines and move through ports of entry nearly every second of every day. This is why ATA and our supply chain partners have built a large coalition of stakeholders to urge a federal response to the alarming rise of cargo theft across the country. OTGs have identified the glaring gaps between local, state, and federal law enforcement regimes as low-risk, high-reward opportunities to execute sophisticated supply chain fraud and theft schemes and remain undetected. OTGs are actively exploiting U.S. transportation and distribution networks with impunity because there is no concerted effort from the federal government to investigate and prosecute. Without those critical deterrence factors, criminals are emboldened to infiltrate our supply chains, profit off the vulnerability of American businesses, and fund other illicit enterprises with the money generated from fraud and theft schemes. The costs of inaction are enormous, both in terms of financial losses and the denigration of national security.

According to the National Insurance Crime Bureau (NICB), “Most high-value thefts are not committed by lone actors or small groups of opportunistic thieves. Rather, these crimes are committed by well-funded, sophisticated criminal organizations. These groups operate across state and country borders, especially in the U.S., Mexico, and South America, and often use cargo theft profits to fund other illicit ventures, including drugs, weapons, and terrorism.”<sup>15</sup> The proceeds from stolen goods that are resold—whether that be through online marketplaces, overseas, or via underground networks—also fund other illicit activities that pose a direct threat to public safety. The Federal Bureau of Investigation (FBI) went as far as to call cargo theft a “gateway” crime, noting that “in many instances, a cargo theft investigation will turn into a case involving organized crime, public corruption, health care fraud, insurance fraud, drug trafficking, money laundering, or possibly even terrorism. Criminal groups use the illegal proceeds they gain from stealing cargo to fund their criminal operations. And the fear is that terrorists could use their proceeds to launch attacks or fund training.”<sup>16</sup>

Therefore, we urge Congress to embrace its responsibilities pursuant to the Commerce Clause of the U.S. Constitution and leverage the cross-cutting enforcement capabilities of the federal government to help combat rampant interstate supply chain fraud and theft. We are grateful to the cosponsors of *CORCA* in the House for supporting legislation that will enhance our legal frameworks, improve enforcement capabilities, and enable swift law enforcement coordination to combat the unrelenting surge of cargo theft and related crimes across the nation.

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<sup>15</sup> National Insurance Crime Bureau. Cargo Theft. <https://www.nicb.org/prevent-fraud-theft/cargo-theft>.

<sup>16</sup> Federal Bureau of Investigation. (November 12, 2010). Inside Cargo Theft: A Growing Multi-Billion Dollar Problem. [https://archives.fbi.gov/archives/news/stories/2010/november/cargo\\_111210/cargo\\_111210](https://archives.fbi.gov/archives/news/stories/2010/november/cargo_111210/cargo_111210).

It is also important to underscore the global reach of cargo theft as OTGs grow and become more profitable. Crime in general is becoming more globalized, as OTGs are collaborating with each other in criminal ventures and are increasingly expanding operations into multiple criminal markets. As noted previously, the “polycriminal” nature of these groups lends itself to expansion into other criminal activities and even into other nations.

The robust coalition of stakeholder support for *CORCA* is a testament to the breadth and scope of U.S. industries that are impacted by supply chain fraud and theft. No industry wants to be seen as the target of criminal activity, but the situation has become so dire that the American Trucking Associations, along with the Association of American Railroads, the Federal Law Enforcement Officers Association, the Intermodal Association of North America, the International Council of Shopping Centers, the National Association of Manufacturers, the National Milk Producers Federation, the National Retail Federation, NATSO, the Protect America's Small Sellers Coalition, the Retail Industry Leaders Association, the Reusable Packaging Association, the Transportation Intermediaries Association, the U.S. Chamber of Commerce, the U.S. Dairy Export Council, and the World Shipping Council have all joined together in advocating for federal assistance through *CORCA*.

The trucking industry supports *CORCA* for the following reasons:

1. *CORCA Will Facilitate Better Reporting of Cargo Theft*

The method for reporting cargo theft varies across jurisdictions and even varies by law enforcement officer, leading to difficulties in accurate data collection and underreporting of regional and national trends in cargo theft. A prominent factor for underreporting is general confusion and a lack of systems for appropriate reporting protocols. Motor carriers and brokers may not know the correct jurisdiction to which the crime should be reported because they may not know where or when exactly the theft took place. There are also situations when victims reach out to law enforcement to report a crime or seek assistance for cases of fraud or theft, but rather than receiving assistance, they are met with confusion and dismissiveness.

Often, when trucking companies attempt to file a report with local and state law enforcement agencies, law enforcement officers will note cross-jurisdictional issues due to the interstate nature of the crime and direct carriers to report elsewhere. These inconsistencies in reporting protocols leave the industry with more questions than answers: should motor carriers contact law enforcement in the area in which the cargo is stolen, in the area where the cargo is supposed to go, or the area in which the stolen goods are headed? Alternatively, when trucking companies attempt to file reports with law enforcement agencies, they are often told simply to “file an insurance claim instead.” This happens because local and state law enforcement officers lack the necessary training and resources to recognize that cargo theft is not just a property crime — it is a coordinated, often interstate criminal enterprise that requires a very different response.

*CORCA* fixes the uneven reporting of cargo theft through the creation of the Organized Retail and Supply Chain Crime Coordination Center (ORSCCCC) within Homeland Security Investigations (HSI) at the Department of Homeland Security (DHS). The ORSCCCC will serve as a centralized reporting repository for the trucking industry and our supply chain partners, ensuring that the right information is shared and accessible with the appropriate law enforcement jurisdictions across the nation in a timely manner. The ORSCCCC will simplify reporting protocols and give both industry and law enforcement the venue for the coordination necessary to respond to these interstate crimes.

## *2. CORCA Will Enhance Enforcement of Cargo Theft Laws*

Anecdotal responses from all segments of the intermodal transportation and cargo insurance industries indicate a widespread surge in cargo theft beginning with the onset of the COVID-19 pandemic. Investigations and prosecutions of cargo theft and related crimes have not kept pace with this surge, allowing cargo theft schemes to become increasingly sophisticated over time. 18 U.S.C. §659 establishes the ability to prosecute cargo theft, but the federal government's jurisdiction does not apply until an interstate nexus is achieved. As a result, most cargo theft incidents are investigated by local and state law enforcement.<sup>17</sup> Unfortunately, state laws on cargo theft are not uniform, lending to difficulties establishing an interstate nexus even though these crimes typically involve actors that cross state lines or utilize the Internet to facilitate their crimes.

One of the major reasons why it can be difficult for law enforcement agencies to connect individual theft cases is due to the inconsistency in the statutory definition of cargo theft across jurisdictions. The law that criminalizes cargo theft at the federal level never mentions or defines the term "cargo theft,"<sup>18</sup> and the statutes defining and criminalizing cargo theft are different for each state. Definitional differences often result in a struggle to form and utilize a unified assessment of offenses to coordinate law enforcement response.<sup>19</sup> Additionally, jurisdictional confusion leads to ineffective enforcement of applicable cargo theft laws.

The absence of criminal investigations and prosecutions emboldens criminals to continue their illegal activities. Low rates of repercussions create high-reward, low-risk scenarios for criminals who have the potential to make upwards of \$25,000 a week on cargo theft. In some cases, individuals have been arrested multiple times and never faced prosecution.

*CORCA* will allow federal, state, and local law enforcement to effectively investigate organized cargo theft schemes by directing DHS to take a leading role in enforcing 18 U.S.C. §659 and strengthening legal tools for law enforcement to dismantle OTGs and TCOs that utilize interstate (and international) commerce to facilitate crimes. Given HSI's unique cross-border authorities and trade expertise, the FBI's crucial prosecutorial role regarding 18 U.S.C. §659, and FMCSA's exclusive authority to challenge fraudulent broker licensing, the trucking industry welcomes the harmonization of the federal government's disparate functions to address the gaps in our supply chain that are currently being exploited.

## *3. CORCA Will Ensure the Safety of the People and Goods That Fuel Our Economy*

In trucking, our best assets are our people, and the safety of our workforce is paramount. Unfortunately, cargo theft – whether through direct hijackings or sophisticated, nonviolent schemes – continues to pose a growing threat to the safety and wellbeing of drivers and other supply chain professionals. While most cargo theft incidents in the U.S. involve the calculated exploitation of technological and operational vulnerabilities rather than physical force or violence, criminal networks are becoming increasingly organized and bold. Globally, hijackings, vehicle theft, and theft from facilities or vehicles (both attended and unattended) ranked among the most common forms of straight theft in 2023.<sup>20</sup> These

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<sup>17</sup> Federal Bureau of Investigation. (November 12, 2010). Inside Cargo Theft: A Growing Multi-Billion Dollar Problem. [https://archives.fbi.gov/archives/news/stories/2010/november/cargo\\_111210/cargo\\_111210](https://archives.fbi.gov/archives/news/stories/2010/november/cargo_111210/cargo_111210).

<sup>18</sup> 18 U.S.C. § 659

<sup>19</sup> Bentzel, C. W. (2024, December). Cargo theft: Evaluation of the challenge of combatting cargo theft with recommendations on how to reduce the impact of cargo theft. Federal Maritime Commission. <https://news.tianet.org/wp-content/uploads/sites/3/2024/12/2024.12-FMC-Bentzel-Cargo-Theft-Report.pdf>.

<sup>20</sup> Munich Re. (2025). Cargo Theft Tactics and Trends Report 2025. Munich Re Specialty – Global Markets UK.

<https://www.munichre.com/specialty/global-markets-uk/en/insights/cargo-and-freight/cargo-theft-tactics-and-trends-report-2025.html>.

incidents not only disrupt freight movement but also endanger drivers – potentially leaving them stranded in remote or unsafe areas or putting them at risk of direct encounters with perpetrators.

In some cases of straight theft, including hijackings and facility break-ins, drivers and employees may face physical assault, intimidation, or other threats of violence if they seek to protect the targeted load. Strategic theft carried out through deceptive practices poses a less obvious but still serious safety risk for drivers and other supply chain employees. For instance, drivers may unknowingly interact with fraudulent entities posing as legitimate carriers, brokers, or warehouse workers—situations that can quickly escalate if a driver questions or challenges the fraudulent individual(s). In cases where criminals hold freight hostage or use coercion to steal loads or extort payment, trucking employees may be subjected to threats, intimidation, or manipulation—including threats of physical harm to themselves, their families, or coworkers—to force compliance or silence.

The escalation of violence associated with organized crime has made it increasingly difficult for the trucking industry and our supply chain partners to ensure the safety and security of our colleagues. Motor carriers and LSP's have invested millions of dollars into equipment, technology, and personnel to prevent and detect cargo theft, but sophisticated thieves are always one step ahead and often willing to resort to violence to achieve their goals. Moreover, while larger companies have the capital to invest in these safety features, smaller companies may not have the resources to procure these expensive products and services. Despite our steadfast dedication to the safety of our people and willingness to invest in risk mitigation measures, we cannot overcome the brazen attitudes of sophisticated criminals who are undeterred by the lack of consequences for their actions.

*CORCA* will reinforce that there are consequences for individuals, OTGs, and TCOs who jeopardize the safety and wellbeing of the essential workers who keep the wheels of our supply chains turning. Cargo theft is not a victimless crime, and *CORCA* will ensure that the federal government takes a leading role in coordinating effective enforcement of cargo theft laws. The trucking industry and our supply chain partners are united in our conviction that this is about more than curbing financial losses—it's about ensuring the safety of our workforces, consumers, and local communities.

#### *4. CORCA Will Strengthen Public-Private Partnerships*

Victims of cargo theft and related crimes often do not report their experiences to law enforcement for a variety of reasons, including concerns that reporting could damage their reputation and deter customers, a lack of confidence that reporting will improve the likelihood of recovery of stolen goods, general misunderstandings about reporting protocols, and frustrations based on previous attempts to file reports and a perceived lack of follow-up. When industry lacks the means or initiative to report crime to the appropriate law enforcement authorities, it fosters conditions that allow crimes to flourish.

*CORCA* will strengthen industry's confidence in law enforcement to both collect reports and pursue the necessary investigations into reported cargo theft incidents. The reporting framework established through the ORSCCCC will incentivize the trucking industry and our supply chain partners to share information more consistently with law enforcement, effectively addressing existing issues with underreporting of supply chain crimes.

#### *5. CORCA Will Reduce Inflationary Pressures on the Economy*

Thieves targeting freight shipments are costing the supply chain up to \$35 billion annually and fueling price inflation for consumers. Strategic theft has risen 1,500% since the first quarter of 2021, and the

average value per theft is over \$200,000.<sup>21</sup> Cargo theft increases the overall cost to ship goods from point A to point B, and those costs are felt directly by consumers across the United States. Carriers face soaring insurance premiums and costly disruptions that delay deliveries and destabilize supply chains. Businesses then absorb the financial fallout through lost inventory and the costs associated with technology, equipment, personnel, and processes to mitigate risk. At the end of the day, the consumer is ultimately left paying the price through higher costs at checkout, longer wait times, and reduced product availability. This cascading effect fuels inflation and undermines confidence in the reliability of the goods being moved via domestic supply chains.

This is not just about protecting freight — it is about protecting the economic backbone of the country and stopping criminal activity that drives up prices for every American. Enacting *CORCA* is a critical step toward protecting America's supply chain and reducing inflationary pressures that are ultimately passed on to, and felt directly by, the American consumer.

#### *6. CORCA Will Strengthen National Security*

The rise of organized, sophisticated cargo theft has significantly impacted our national security by disrupting the supply chain, potentially funding criminal and terrorist organizations, and creating vulnerabilities within the interstate transportation network. These activities being undertaken by sophisticated criminal networks are increasingly using technology to steal goods, often diverting them for illegal activities or selling them on the black market. The proceeds from stolen goods finance other criminal activities, including drug trafficking, organized crime, and even potentially terrorism. Furthermore, theft of high-value goods such as electronics, pharmaceuticals, and weapons components can have serious implications for national security.

*CORCA* will help bolster our national security by identifying, connecting the dots, and finding patterns in organized theft activities across the supply chain. By confronting organized theft groups supporting criminal enterprises, transnational organizations, and even terrorist entities, *CORCA* will strengthen and reinforce our national security.

#### **Experiences with Cargo Theft and Fraud:**

The proliferation of cargo theft incidents in recent years has shown that geography matters. The ATRI report on cargo theft released in October 2025 identified the states with the most incidents of cargo theft and fraud for both motor carriers and LSPs.

The following table shows the “top ten” states for motor carriers using an index to identify the severity of cargo theft relative to each state’s total freight activity, as measured by vehicle miles traveled (VMT) by tractor trailers annually.

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<sup>21</sup> Verisk CargoNet. (2025, January 21). 2024 supply chain risk trends analysis. CargoNet. <https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/>.

**Table 8: Motor Carrier Top Ten States by ATRI Cargo Theft Index**

Rank	State	Index
1	New Jersey	1.00
2	Illinois	0.97
3	Pennsylvania	0.84
4	Florida	0.70
5	Georgia	0.60
6	Colorado	0.52
7	California	0.51
8	Tennessee	0.47
9	Arkansas	0.45
10	South Carolina and Maryland (Tied)	0.40

The next table shows the same table for LSP's, again using VMT as an indicator of total freight activity for each state.

**Table 9: Top Ten States by ATRI Cargo Theft Index (LSP)**

Rank	State	Index
1	Illinois	1.00
2	California	0.98
3	Georgia	0.92
4	Nebraska	0.61
5	Nevada	0.60
6	Arizona	0.59
7	Tennessee	0.58
8	Texas	0.40
9	Florida	0.39
10	Iowa	0.33

There are examples every single day—often multiple times a day—across the country—that show just how urgent and rapidly growing the threat of organized retail crime has become to America's supply

chain, and why federal action simply cannot wait. One high-profile case was recently featured in “60 Minutes.” Celebrity chef Guy Fieri and musician Sammy Hagar had 24,000 bottles of their Santo Tequila stolen. Picture this: two semitrucks loaded with more than a million dollars’ worth of premium tequila simply vanish. No chase. No confrontation. No armed robbery. Just gone — swallowed by a criminal network that understood exactly how to manipulate the system. Countless more incidents fly under the radar every day.

In Arizona alone, there were two recent cases that each involved over \$100,000 in cargo. In May, four men were arrested after being caught using semi-trucks to steal storage containers full of energy drinks. Police made the arrest after a security officer happened to call 911, telling police he recognized the gold tractor-trailer from a previous theft. Officers arrived to find the suspects in several vehicles, including the gold tractor-trailer and another red tractor-trailer. Police stopped the suspects and found fake IDs, fake license plates, a collapsible ladder, and a fluorescent traffic vest inside the vehicles. Court documents stated that the gold semi-truck was carrying \$50,000 worth of Red Bull energy drinks in its trailer while the red truck had \$50,000 worth of Rockstar energy drinks. According to court documents, police linked the four suspects to a similar theft, where three trailers loaded with Samsung TVs worth more than \$3 million were stolen. Detectives say surveillance video from both thefts shows suspects wearing distinctive shoes and using the same trucks and plates.<sup>22</sup>

In September, Arizona Department of Public Safety officers received a call about a truck stolen from Las Cruces, NM, that was traveling through Arizona. DPS troopers stopped the truck in Pinal County just outside of Eloy, where the driver was detained and later arrested after nearly \$200,000 of stolen copper was found in the trailer.<sup>23</sup> In both Arizona incidents, law enforcement was lucky to get useful tips from trained law enforcement personnel. There are many cases where the stolen cargo is not discovered until much later, if at all.

In Georgia, a top five state for cargo theft, the U.S. Attorney's Office for the Northern District of Georgia announced last year that four men had been sentenced to prison for multiple cargo thefts of electronics, copper, and apparel throughout the southeastern United States totaling more than \$1.7 million. The stolen goods were then taken to Florida and sold. The four men convicted were sentenced to between 2.5 years and five years in prison. The case was investigated by the FBI with assistance from the Miami-Dade County Police Department, the Economic Crime Bureau, and the FBI Miami Field Office.<sup>24</sup>

In another Georgia case, the Effingham County Sheriff's Office discovered an estimated \$1 million worth of stolen cargo—including cellphones, food, and Peloton exercise equipment—inside a warehouse in Rincon, roughly 10 miles from the main terminal gate at the Port of Savannah.<sup>25</sup>

In Macon, the Bibbs County Sheriff's Office closed a months-long case in August with the arrest of four individuals for felony theft, felony theft of stolen property, and RICO violations. In December 2024, a 911 call was placed reporting missing semi-trailers loaded with electronics and other goods. Deputies found two missing trailers shortly after, emptied of their contents. Another trailer was reported missing

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<sup>22</sup> <https://www.azfamily.com/2025/05/28/4-men-accused-semi-truck-full-merchandise-phoenix-yard/>

<sup>23</sup> <https://www.azfamily.com/2025/09/13/troopers-seize-187k-stolen-copper-pipes-pinal-county/>

<sup>24</sup> U.S. Attorney's Office, Northern District of Georgia. (2024, June 26). Members of a Cargo Theft Ring Sentenced to Prison. <https://www.justice.gov/usao-ndga/pr/members-cargo-theft-ring-sentenced-prison>.

<sup>25</sup> The Associated Press. (2024, February 28). \$1 million in stolen cargo discovered in warehouse near Georgia port. <https://www.fox5atlanta.com/news/1-million-in-stolen-cargo-discovered-in-warehouse-near-georgia-port>.

in June, later found without its cargo. Some of the stolen items were recovered, but the thefts themselves remain under investigation.

Members of the ATA have testified to sophisticated, dangerous cargo theft schemes impacting their businesses across the country this year. In July, Donna Lemm, Chief Strategy Officer for IMC Logistics in Collierville, TN, testified about an astounding heist at a terminal in Memphis where multiple masked criminals staged a break-in with high-powered cutting tools to enter a facility, access targeted containers with high-value goods, and escape with tens of thousands of dollars in goods in just three-and-a-half minutes. In February, Adam Blanchard, CEO of Tanager Logistics and Double Diamond Transport in San Antonio, TX, shared stories of thieves impersonating his legitimate business using publicly available information to deceive shippers and other motor carriers and target high-value freight, only to be met with indifference and red tape from law enforcement that lacked the capabilities to combat the criminal enterprise.

A specific example from Ms. Lemm highlighted the vicious cycle that is perpetuated by OTGs and cargo theft in general. In a carefully orchestrated operation, thieves stole a truck and used it to pull off a heist at an IMC Logistics secure facility in St. Louis, where they targeted two containers holding high-end refrigerators. Local police were alerted, who later informed IMC that the only action they would take would be to fill out a report for insurance purposes. When IMC inquired about possible next steps, they were told that this incident was not a priority, and police would only investigate it if a detective had time.

Several months later, out of the blue, IMC Logistics was contacted by an agent with the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). The agency had just raided a warehouse in a St. Louis suburb and had unexpectedly uncovered the refrigerators with their back cavities removed and cash stuffed inside. It turned out that they were being used to smuggle money across the southern border, likely by an OTG. Although ATF was entirely unaware of the earlier theft at the IMC facility in St. Louis, their intervention prevented the appliances from being transported to Mexico under the guise of “scratch and dent” returns.

These stories are striking but, unfortunately, all too common. For that reason, I am grateful for the opportunity to advocate on behalf of the entire trucking industry for passage of *CORCA* and for federal leadership in combating this issue.

### **In Conclusion:**

Chairman Biggs, Ranking Member McBath and members of the Subcommittee, thank you again for the opportunity to testify before you today on behalf of the American Trucking Associations. Organized criminal activity targeting the supply chain has been an increasing threat confronting the trucking and logistics industry that now demands federal support. Across the supply chain, small and large businesses alike are battling these same challenges every day, and the bad actors are gaining ground. These incidents imperil our national security, put frontline workers like truck drivers at risk, and raise the cost of goods for American consumers who are already struggling with affordability.

It is imperative that new, coordinated action is taken amongst the federal, state, and local levels to confront and neutralize this growing threat. The trucking industry and our supply chain partners need federal support and interagency information-sharing, as well as a more robust investigative and prosecutorial posture, to tackle these challenges head-on. For those reasons, we are proud to support and

endorse the *Combating Organized Retail Crime Act*, a bill that will provide the tools and resources necessary to facilitate that unified response.

The trucking and supply chain logistics industry stands ready to collaborate hand-in-glove with the members of this committee, Congress, and the Administration to confront the rise of organized and strategic supply chain fraud and cargo theft. Thank you for your attention and leadership in holding today's hearing. We look forward to working together to stop these criminals that are hurting our supply chains and threatening our national security.