ON A COLD MONDAY MORNING NEXT FEBRUARY, sixty-three legislators will gather in Carson City and call to order the 80th session of the Nevada Legislature. This session, along with the session from 2015 and 2017, will long be remembered as a study on political party dynamics and the role they played as the Legislature conducts the state's business.

The election of 2014 ushered in Republican control of both the legislative and executive branches for the first time in modern history. Not since the 1991 session had one party (the Democrats in that case) controlled the trifecta of the Governor’s Mansion, the State Senate, and the State Assembly. After a very contentious and competitive session, Democrats retook both the Senate and the Assembly paving the way to begin implementing their vision for Nevada known as the Blueprint.

With clear policy goals and Governor Sandoval in the Governor’s office, the new Democratic Legislative leadership set out to prove that a single party could conduct the business of the legislature without the combative and aggressive tactics seen in the 2015 session. The number of business-friendly legislators, as measured by RAN’s Legislative Matrix, increased from 29 to 32. The 2017 session ended much calmer than it started and set the stage for the 2018 election.

The 2018 election gave dawn to a season of apprehension in the retail community, as business-friendly incumbents lost and Democrats gained control of the trifecta, including a supermajority in the Assembly. This winter of anxiety is fueled in our community by two questions: 1) How will these changes affect my ability to keep my employees and stay open for business, and 2) How much of the collaboration during the 2017 session was because of Governor Sandoval’s ability to veto?

In an effort to answer those questions, RAN reached out to the Assembly leadership to learn more about where the 80th session might take the business community and the State of Nevada. Assemblywoman Maggie Carlton was first elected to the State Senate in 1998, and after her constitutionally limited term in the Senate, was elected to the State Assembly where she currently serves as chair of the Assembly Committee on Ways and Means.

“Working with then Senators Amodei and Townsend on issues like energy, workers’ compensation, and boards and commissions produced the most thorough and long lasting legislation is almost always the result of collaboration between all of the parties involved,” said Chairwoman Carlton, “working with then Senators Amodei and Townsend on issues like energy, workers’ compensation, and boards and commissions produced...”
Here have been a lot of armchair musings about how the State of Nevada has once again become a blue state. Long-time residents and political operatives will remember that the last time the State was a solid blue one was in 1991 and Bob Miller was Governor, Jack Vergiels was Senate Majority Leader and Joe Dini was Speaker. Also, the U.S. Senators were Harry Reid and Richard Bryan and U.S. Representatives were Jim Bilbray and Barbara Vucanovich. Vucanovich was the lone Republican and the first woman to be elected to represent Nevada in Congress.

So, one might say that it’s been a long stretch to get to déjà vu all over again. The stakes were much higher this last election, even by the emphasis that Nevada was a battle ground state that could go either way. It’s quite possible that we have lost that distinction and with it our status in the upcoming presidential election.

When you consider that this past Election Day was a demonstration of Clark County’s turnout effort, which was estimated at only 10,000 less than the Presidential Election for a 67.5% total turnout, there should be no room for “Battle Ground” cries. Elections have become numbers games and the numbers are still being broken down for this election cycle but roughly 459,647 Democrats were registered, 321,204 Republican and 315,695 “others”. But beyond the numbers game it’s also become a philosophical game and a money game.

Members of RAN are not alone when they complain, or comment, that they were constantly barraged for money from all sides and many different states.

Republican and 315,695 “others”. But beyond the numbers game it’s also become a philosophical game and a money game.

Members of RAN are not alone when they complain, or comment, that they were constantly barraged for money from all sides and many different states. The campaigns in Nevada were ugly and people tuned out but the ground games and GOTV (get out the vote) efforts at the end were amazing.

When you look at the New Nevada and the economic growth in the state, it’s fairly easy to determine that newly minted Nevada residents moved here for low taxes, no personal income tax being the best bonus, housing prices and employment opportunities. They did not leave their political opinions at the border nor did they surrender the philosophical bent. When outgoing Governor Sandoval tagged his efforts as the New Nevada, he clearly created one.

There’s a lot of blame going on, especially on the Republican side, but it would be better for people to really do the math, (when all numbers are available), review their objectives and goals, identify partners and allies and get to work. If you need changes then change them.

I find Nancy Pelosi’s comments following the election extremely enlightening in that she said the Democrats had to create an environment to run on (health care), then nurture that creation and work with their “external partners” to achieve their goal. That model was used successfully across the United States. Billionaires and millionaires on both sides flooded states with dollars to get people elected and punish those that didn’t, or don’t, believe the same way in order to enhance their wealth and power, and “allies” were given tasks and goals and all benefitted from their largesse. It’s an old model but a successful one. The best source to understand the model is a book titled “The Blueprint”: How Democrats Won Colorado (and Why Republicans Should Care).

That’s a very brief thumbnail sketch of how we got here but most importantly — we ARE HERE. Now is the time to respect the process, allowing for differing of opinions, and to congratulate the winners on their respective seats. ■

Mary Lau
THE RAN TEAM
AT THE LEGISLATURE

Following are the team members who will be at the Legislature during the 2019 Legislative Session. Although each has a “specialty” they will operate as a team and therefore one member may step in for another.

The following information was published in the September, 2018, Nevada News issue, but without the photos.

MARY LAU
CEO/President Retail Association of Nevada:
Will cover organized retail crime, employee theft, various crimes and data security in conjunction with General Counsel Josh Hicks, partner in McDonald Carano Law Firm.

MARY MACMENAMIN
Vice President of Government Affairs:
Will oversee all issues related to pharmacy, grocery, health care and work comp issues.

ANDY PETERSON
Vice President of Government Affairs:
Will oversee all employer/employee relationships, restaurant issues, local government and general business issues.

BRYAN WACHTER
Sr. Vice President of Public and Government Affairs:
Will cover taxation, budget, education, energy and oversee the RAN team.

PIPER BROWN
Director of Finance & Administration:
In charge of administration of the RAN offices. Monitors bills and committees.
MacMenamin Appointed to Board

LIZ MACMENAMIN, A VICE PRESIDENT OF THE RETAIL ASSOCIATION OF Nevada (RAN) has been appointed to the Board of Directors of the Kids’ Chance of Nevada.

A non-profit organization, Kids’ Chance works to make a significant difference in the lives of all children affected by a workplace injury.

“I am honored to serve on this Board and work to ensure that children, impacted by a parent’s workplace injury or death, may still pursue their dreams of college through raising funds to provide scholarships.

“Investing in our children’s future helps provide them with the tools and opportunities to be successful in the workplace, allowing them to be able to make a difference in their own and other people’s lives,” said MacMenamin.

Kids’ Chance of Nevada is affiliated with Kids’ Chance of America and was acknowledged in November by a proclamation from Governor Sandoval.

If you have any questions or would like to contribute please contact Liz MacMenamin at lizm@rannv.org.

Winter of Anxiety Continued from page 1

law that still forms much of the rules today.”

When asked how the next session was likely to be different than last session the Assemblywoman replied, “The voters have indicated what path they want to follow but the solutions to our problems demand that all of us (legislators) need to work together to craft those solutions.”

That long time collaboration is something that Assemblywoman Ellen Spiegel hopes to continue to foster in the Assembly Committee on Commerce and Labor when asked how her committee would address issues like minimum wage.

“I recognize that decisions made in Carson City have a profound impact on retailers’ ability to conduct business and grow their customer base.” JASON FRIERSON

“However, the policy solutions that we craft have to work for all of Nevada and that includes making sure that Nevada is business-friendly for good actors.”

Few in Carson City will have more influence on the business community next session than Speaker of the Assembly Jason Frierson. RAN asked the speaker about the level of anxiety in the retail and business communities:

“I recognize that decisions made in Carson City have a profound impact on retailers’ ability to conduct business and grow their customer base.”

Speaker Frierson will be leading the Assembly for a second session and “we hope to build on progress that was made in 2017, and look forward to advancing policies in 2019 that make our state an easier place to bring, start, or grow a business.”

A successful session for RAN would see the number of business-friendly legislators who earn favorable scores on our matrix increase from 2017. Assembly leadership is signaling that the atmosphere in 2019 will feel a lot like 2017, and with the commitment to work together on solutions there is no reason to expect that 2019 can’t be just as successful. Who knows how much of the 2017 collaboration was because of a Republican in the Governor’s office?

We’ll just have to hope for a thaw in this winter of anxiety.

(Editor’s Note: Look for the Senate’s perspective in the January 2019 issue.)
THE RUBBER HITS THE ROAD
By Andy Peterson

IN JANUARY 2019, FOLLOWING THE SWARING IN, GOVERNOR SISOLAK will give his State of the State speech and introduce his budget. In Nevada, state agencies, including the university system, put their budgets together and bring them to the Governor’s Budget Office. There decisions are made as to what priorities will receive the funding and that is the budget presented to the state and Legislature.

However, the saying is the “Governor proposes, and the Legislature disposes…” This is important in Nevada as our state is constitutionally mandated to have a balanced two-year budget. The state cannot propose to spend more than anticipated in revenue. Where the rubber hits the road is where political promises and priorities seek funding at the Legislature. Governor-Elect Sisolak promised to fix education and make sure every family had health insurance. He also promised to not take a salary until which time teachers got an honest raise and class sizes were reduced. The electorate endorsed his ideas by electing him and soon he will cajole the legislature to fund these priorities. All of this will take place in light of the Governor’s Budget Office that is providing economic facts or those issues the Governor thinks are most important. The Economic Forum, a panel of five economic and taxation experts from the private sector, determines how much revenue will be available for the biennial budget cycle. How those revenues are apportioned will be finally determined by the Legislature. The forecast for the 2019 Legislative Session will be delivered December 3, 2018.

It remains to be seen what kind of budget Sisolak will introduce. Clearly, Governor Sandoval will have some influence but it will be Sisolak who will have the final say into the budget his office proposes when the 2019 legislature gavels into session. If the campaign is any indication there may be some pressure to reorganize spending in order to “fix education,” raise revenue in order to spend money on the governor elect’s priorities, or a combination of both. If the Legislature desires to spend more than the Economic Forum projects, they will have to raise taxes. The Economic Forum will give a projection in May (2019) that will be used when finally closing out the budget.

PHARMACY UPDATE IN NEVADA
By Liz MacMenamin

THE STATE BOARD OF PHARMACY HAS BEEN discussing the expansion of the Pharmacy Technician ratio in Nevada. The role of pharmacists has been expanding to allow them to operate as medical professionals that can give patient care and participate in ever-evolving pharmacy services. The technician’s role is vital in today’s pharmacy.

The technician is more educated and can perform some of the administrative duties which then allows the pharmacist to provide patient care services such as MTM (medication therapy management), immunizations, disease management, point of care testing, and patient assessments and screenings.

According to the National Association of Chain Drug Stores (NACDS), the present suggested pharmacist to technician ratio is an antiquated one that is no longer appropriate in today’s pharmacy practice environment; arbitrary ratios prevent pharmacies from maximizing use of pharmacy technicians to provide a broader set of patient care services to the public. Many state boards of pharmacy, recognizing this to be true, have, over the years, relaxed or eliminated restrictive ratios to allow for optimal use of pharmacy technicians. RAN will join with the Nevada State Board of Pharmacy and legislators to work on this issue if it comes up in the future.
Nevada Notes

THANKSGIVING WEEKEND AND CYBER MONDAY BRING IN ESTIMATED $475 MILLION FROM NEVADA CONSUMERS

Holiday Consumer Sales Projected to Grow by 5.0 Percent

Shoppers flocked to stores and online retailers over the Thanksgiving weekend and Cyber Monday to take advantage of the holiday shopping season entered its final month. In the Silver State, the Retail Association of Nevada (RAN) estimates that over 1.5 million people spent a total of $475.9 million on gifts, decorations and other merchandise over the five-day period.

“We’re set for another year of strong holiday spending in the Silver State as unemployment is down and wages are climbing. Expect the spending to continue as we get closer to Christmas Day,” said Bryan Wachter, Senior Vice President of RAN.

RAN forecasts consumer retail sales in Nevada to grow by 5.0 percent during the holiday shopping season this year to reach $4.2 billion.

RAN Press Release

NEVADA SMALL RETAILERS THUMP REST OF NATION IN BLACK FRIDAY REVENUE (SERIOUSLY)

Pop quiz: Which state leads the nation in average daily revenue for small retailers during Black Friday? The answer is Nevada. By a landslide. Seriously.

Like scrappy boxers gracing the ring in Las Vegas, local independent retailers in Nevada punch way above their weight class when it comes to the average sales that each business generates each day. This is especially true for the Super Bowl of the retail industry known as Black Friday — the No. 1 sales day for the United States across the board.

Last year, mom-and-pop shops and small local retailers in Nevada generated average sales of $7,848 per business during Black Friday, according to small business software company Womply’s annual local retailer report. That’s nearly $3,000 more than second-place New Hampshire.

RGJ

BLACK FRIDAY/CYBER MONDAY SALES UP

The National Retail Federation, the nation’s largest retail trade group, expects retail sales in November and December to increase at least 4.3 percent over 2017 for a total of at least $717.45 billion.

The Retail Association of Nevada (RAN) predicts 1.6 million Nevadans will shop or think about shopping between Thursday and Monday. The association predicts up to $562 million will be spent across the state during that time, a nearly 6 percent increase year over year.

Thousands of Southern Nevadans joined millions nationwide in the unofficial kickoff of the holiday retail season on Black Friday. Many locations jump-started things Thursday.

“Thanksgiving weekend provides a unique shopping experience in which Nevadans are sure to find incredible prices and sales all across the state,” said Bryan Wachter, Senior Vice President of RAN. “This is a great opportunity for consumers to not only find great deals but to also get a jump on their holiday shopping.”

LVRJ

NEVADA ONLINE SHOPPERS SEE MORE SITES CHARGING SALES TAX

Shoppers in Nevada and a handful of other states who purchase holiday gifts online are finding they’re being charged sales tax at some websites where they weren’t before. The reason: the Supreme Court.

A June ruling gave states the go-ahead to require more companies to collect sales tax on online purchases. Nevada is one of 11 states that began enforcing requirements Oct. 1, and about a half-dozen states are set to follow suit in the next two months.

LVRJ

VALLEY STORES ADOPT TECHNOLOGY AS MORE CUSTOMERS ASK FOR IT

Two stores in the Las Vegas area have found opposite uses for virtual reality this year — one to add people to the sales floor, the other to remove people from the sales floor.

The Macy’s in Downtown Summerlin has added a headset to its furniture department to attract shoppers and show them what couches and other furniture look like inside a home.

Meanwhile, the Walmart near the intersection of Boulder Highway and Nellis Boulevard has added headsets to a room in the back of the store, away from the sales floor, for employees to train on how to interact with customers.

These companies are part of a growing number of retailers that experiment with new technology to directly and indirectly benefit shoppers.

RAN Press Release

Continued on page 11
National Notes

FOUR TRENDS SHAPING THE HOLIDAY SEASON

The Optimistic Shopper
The strong economy and near-full employment helped push retail sales growth to a six-year high in this year’s first half, which in turn has generated forecasts of healthy retail-sales gains of up to 4.8% for the holiday season.

Buy-Online/Ship-To-Store (BOSS)
For several years, retailers have promoted their buy-online/pickup-in-store programs, which focus on merchandise already stocked at the store level. Retailers including Macy’s Inc. are betting that BOSS will both cut their delivery costs and generate add-on sales to shoppers who visit stores to pick up their orders.

The Rewards Of Loyalty
Retailers are enhancing their loyalty programs to retain shoppers, and their sweeteners of choice are experiences and access. Retailers including Macy’s and Target have upgraded their loyalty programs this year to reward shoppers with perks such as access to exclusive events like fashion shows.

Toys “R” All Of Us
The closure this year of Toys “R” Us’ stores cleared the way for a wave of opportunistic retailers to fill the void. Several leading retailers such as Walmart and Target are expanding their toy sections. CBRE

HOW DID NEW TAX LAWS IMPACT CYBER MONDAY?
In June 2018, the United States Supreme Court ruled that states should impose some sort of remote tax laws on local retailers that sell their wares online to people out of state, tossing out the old legal threshold of “physical presence” designed for the pre-internet era.

However, the Court purposefully left the ruling vague, leaving states with a degree of freedom to move forward with what suited them.

Twenty three states have already begun enforcing remote sales tax laws. Meanwhile, some retailers that aren’t in states that have such rules have chosen to voluntarily collect the taxes anyway, given this Supreme Court decision. In addition, about ten other states have begun enforcing “marketplace-facilitator” laws, which would require larger resellers to collect sales tax if the reseller has crossed certain sales thresholds.

Though this may be seen as a price increase, the truth is that all consumers should have been paying sales tax all along for goods purchased online, based on changes in the tax law called “use tax.” So in essence, this should just be a shift of paying it to the retailer instead of to the government directly. Findlaw Blog

TOYS R US SETS UP $20M FUND FOR EMPLOYEES
KKR and Bain Capital, two of the three private equity firms that bought out Toys R Us in 2005, announced Tuesday they will each pledge $10 million to the TRU Financial Assistance Fund, which will distribute cash to former employees. USA Today

MEN WILL BE THE BIG SPENDERS THIS HOLIDAY SEASON
Roughly 30 percent of men said they plan to spend more than $750 during November and December, while only about 25 percent of women said the same, according to a new study by JLL.

Men are anticipated to spend more on others and on themselves, as they have more options for retailers to shop from. CNBC TV

WALMART SHIFTS SCHEDULING
Walmart is letting workers use a company mobile app to check their schedules or swap shifts without a manager’s approval. Steadier schedules and shift-swapping via mobile have been popular, said workers and executives.

The 13-week schedule falls short of a goal set by the company to offer six-month advance notice on schedules across the U.S. by 2016.

Walmart pared the number of weeks after tests at the company’s Neighborhood Market grocery chain showed executives that they needed more data before offering stable scheduling longer-term and that workers preferred a shorter commitment to start. It now appears that 13 weeks will stay and grow longer. WSJ
Smith’s Held Ribbon Cutting

Smith’s Food and Drug Stores Unveiled Its New $13.5 Million Dry Goods Distribution Center with a Ribbon-Cutting Ceremony and Open House in November in Henderson. Elected officials and representatives from the Las Vegas Global Economic Alliance (LVGEA), the Governor’s Office of Economic Development (GOED) and RAN’s Senior Vice President Bryan Wachter joined the grand opening celebration. In addition, Smith’s presented Three Square Food Bank with 3 pallets of their most requested foods to help combat hunger in the communities of Nevada.

The first food distribution center for Smith’s located in the state of Nevada, a 482,000 square-foot facility, will provide more than 8,000 items, allowing the grocer to ship products to stores, and reduce the supply chain operating expenses, which will lead to lower prices for customers.

“Unveiling our new distribution center is one way we are redefining the grocery experience for our customers through Restock Kroger, our three year growth strategy”, said Kenny Kimball, President of Smith’s Food & Drugs Stores. “This investment will allow us to better serve our customers through improved in-stock of grocery products and provide fresh products at lower prices, while also protecting our environment through our Zero Waste operations.”

Keeping with Smith’s Zero Hunger | Zero Waste initiative, the distribution center will operate as a Zero Waste facility diverting more than 98 percent of waste from the landfill. Techniques include recycling shrink-wrap, cardboard, pallets, paper, bottles and cans; use of motion sensor LED lighting and a styrofoam free site. The distribution center will prioritize food waste recycling by donating 100 percent of unsellable items that are still edible to Three Square Food Bank.
Below are the vetoed bills from last session to be used as a roadmap for what issues may be returning.

In red are those bills that were vetoed after Sine die, therefore returning to the Legislature in 2019.

**Employment**
- Government collective bargaining between local government employers and employee organizations. (AB271, AB290, SB356)
- Minimum level of health benefits an employer must provide in lieu of paying $1.00 more than federal minimum wage (AB175)
- Minimum wage increase (SB106)
- Paid sick-leave requirement on private employers (SB196)
- Expansion of NERC jurisdiction relating to unlawful employment practices (SB397)
- Require state agencies to allow unions to give a presentation during new employee orientation (AB350)
- Decrease in the budgeted ending fund balance that is not subject to collective bargaining. (SB469)

**Education**
- Silver State Opportunity Grant credit hours reduction (AB188)
- Changes in sex education standards - moving to opt-out rather than opt-in (AB348)
- Designation of DRI and UNLV as ‘land-grant’ institutions. (AB407)

**Construction/Development**
- Prevailing wage for charter schools within the Achievement School District (SB173)
- Apprentice requirements (3% of total hours) for public works contractors on projects greater than $1M. (SB357)
- School Construction Prevailing Wage (AB154)
- Requiring LVCCVA to enter into a project labor agreement for construction work on LV Convention Center (SB464)
- Development restrictions near national recreation areas (Red Rock, Sunrise Mountain in LV). (AB277)

**Healthcare**
- Out-of-network payments cap (AB382)
- Requiring Medicaid to cover the same preventative health care services required under the Affordable Care Act (AB408)
- Nevada care plan (Sprinklecare) - (AB374)
- Requiring diabetes drug manufacturers to disclose information about cost and profits. (SB265)

**Criminal Justice**
- Vacating of Marijuana offenses, give judges discretion to depart from minimum sentencing guidelines for controlled substances (AB259)
- Ban of private prisons (AB303)
- Require criminal complaint to be filed within 72 hours of a person’s arrest (AB376)
- For persons convicted of controlled substance possession, removing the requirement to complete a drug treatment program before applying for TANF or SNAP benefits. (AB427)
- Allow courts to reduce or suspend sentence of someone convicted of controlled substances (AB438)
- Early release to house arrest for older, non-violent offenders. (SB140)
- Using evidence-based risk assessment tools in deciding whether to release a person without bail (AB136)

**Energy**
- Increasing the renewable portfolio standard (AB206)
- Allowing for community solar (SB392)

**Marijuana**
- Medical Marijuana Apprentice programs (SB416)
- Preventing licensing boards from disciplining members who use medical marijuana (SB374)

**Public Information**
- Restriction of public access to information on retired public employees (SB384)

**Miscellaneous**
- Requiring trains to be operated with a crew of at least 2 people (SB427)
- Reduction of insurance requirements
Important Information for SIG Members
NRS requires all existing members of a self-insured group to be notified of all new members.
NRNSIG new members are listed below.

- Artisan Café LLC dba The Artisan Café
- Associated Gynecology, PC
- Blue Tree Enterprises LLC dba Blue Tree Group
- Bud Pen LLC dba Ready Golf Cars
- Favela & Favela LLC dba Super Burrito
- Four D Enterprises LLC
- Hunter Ray’s LLC
- Mc Turner Inc dba Hustman Tavern
- MCB Automotive LLC dba Golden Nugget Automotive
- Nevada Association of Employers
- NGP Slots LLC
- Terra Firma Organics Inc

Credit Card Payments
The Retail Association of Nevada is happy to announce that you can now pay your annual membership dues by credit card on our website: www.rannv.org.
Please contact Piper Brown if you have any questions, 775-882-1700.

NRNSIG members who wish to register a negative vote on a new group member, please write NRNSIG at 575 S. Saliman Road, Carson City, NV 89701, indicating which member and the reason(s) for the negative vote.
Vetoed Bills  Continued from page 9

for ride sharing companies (AB445)
- Allowing Legislative Commission to suspend or nullify a regulation of a state agency, precluding judicial review. (AB403)
- Wildlife fees authorized to be used for conservation (ab101)
- NDOT traffic study on safety of eastern Clark county roads (AB364)
- Allowing Reno and Sparks to appoint the city attorney (SB434)

Editor’s Notes:
According to a story in the Nevada Independent, Legislative leadership is not inclined to override the vetoed bills. However, that could change and many of the vetoed bills could re-appear as new legislation.

Tyler Falk is an attorney at the MacDonald Carano Law Firm and works with Josh Hicks, MacDonald Carano partner and General Counsel for RAN.

Nevada Notes  Continued from page 6

invested in their cell phone apps for customers to provide coupons, alerts to new promotions and a map to locate products in the store.

Apps for retailers like Macy’s and Lowe’s let customers use the camera on their phones to see what furniture would look like inside their home.

The Macy’s app is available for iPhone 7 and newer and will come to Android next year, according to a company statement. LVRJ

CITY TO ASK FOR HIKES IN PROPERTY SALES TAX, FEES
Las Vegas officials want to increase the amount of money the city can direct to homeless services — but they need a big OK from the state Legislature to make that happen.

City officials will ask state lawmakers early next year to increase the regional property sale tax and city fees. It’s estimated the revenue would bring in an extra $20 million.

The city wants to increase sewer fees and the transfer property tax. The sewer surcharge would jump 8.6 percent, about $22, in 2020, to generate an estimated $5 million.

The property transfer tax would apply to the sale of property, and add 25 cents to the current $2.55 per $500 of value, which would bring in an extra $15 million county wide. It’s unclear, however, how much of that money the city would get.

Nevada Assemblywoman Maggie Carlton, who is familiar with the district where the courtyard is, said she looks forward to hearing more about the proposal when the Legislature meets next year. LVRJ
Organized Retail Crime Losses Reach All-Time High

Organized retail crime is continuing to grow, with nearly three-quarters of retailers surveyed reporting an increase in the past year, according to the 14th annual ORC study released by the National Retail Federation.

“Retailers continue to deal with increasing challenges and complications surrounding organized retail crime,” NRF Vice President of Loss Prevention Bob Moraca said. “These criminals find new ways to expand their networks and manipulate the retail supply chain every day. The retail industry is fighting this battle by upgrading technology, improving relationships with local law enforcement and taking steps such as tightening return policies, but it is a never-ending battle.”

The report found that 92 percent of companies surveyed had been a victim of ORC in the past year and that 71 percent said ORC incidents were increasing. Losses averaged $777,877 per $1 billion in sales, up 7 percent from last year’s previous record of $726,351.

Retailers attributed the increase to the easy online sale of stolen goods, gift card fraud, shortage of staff in stores and demand for certain brand name items or specific products. In addition, a number of states have increased the threshold for a theft to be considered a felony, meaning criminals can steal a larger quantity of goods while keeping the crime a misdemeanor and avoiding the risk of higher penalties that come with the commission of a felony.

While at least 34 states have ORC laws, 73 percent of retailers surveyed support the creation of a federal ORC law, noting that ORC gangs often operate across state lines.

Return fraud continues to pose a serious threat to the retail industry. Retailers estimated that an average 11 percent of their annual sales will be returned this year, and that 8 percent of those returns are likely to be fraudulent. An estimated 12 percent of returns will not include a receipt, and 21 percent of those are expected to be fraudulent. In addition, 38 percent reported an increase in online purchases returned to a bricks-and-mortar location, and 29 percent cited an increase of those returns being fraudulent.

The survey of 66 loss prevention professionals representing department store, big-box, discount, drug, grocery, specialty retail and other industry sectors was conducted September 16 through October 5.