

Safeguarding our Supply Chains Act

Problem: Since the start of the COVID-19 pandemic, millions of dollars' worth of cargo has been stolen, causing widespread supply chain disruptions. The logistics and transportation industry is facing an unprecedented increase in theft, and the issue is on track to increase even further this year. Millions of dollars' worth of cargo is being stolen before it can reach its destination:

- From 2021 to 2022, the total loss and damage claims associated with theft paid by the Class I railroads jumped from **\$13.8 million** to **\$33.7 million**.
- This represents an **increase of over 140%**, and theft became the second largest category of loss and damage claims paid by the railroads.
- Organized criminal activities impacting the trucking industry **increased 46%** year-over-year to 925 incidents and 10% from the fourth quarter of 2023, according to a recent <u>report</u>.
- The report estimates that \$154.6 million worth of goods was stolen during that period.

Solution: The Safeguarding our Supply Chains Act aims to improve coordination and find solutions to stopping the rampant theft within our nation's supply chains.

The Safeguarding our Supply Chains Act:

- Establishes Supply Chain Crime Coordination Center within the Department of Homeland Security's Homeland Security Investigations (HSI) and a Supply Chain and Theft Task Force led by HSI and the Federal Bureau of Investigation (FBI).
 - The Supply Chain Crime Coordination Center will operate through HSI's Innovation Lab to collect and analyze data related to supply chain fraud and theft and to analyze regions and modes of transportation in the United States that are experiencing high volumes of organized crime.
 - The Supply Chain and Theft Task Force will be a joint effort between HSI, the FBI, and all relevant agencies to address supply chain fraud and theft throughout the rail, motor carrier, and intermodal systems to detect, disrupt, and deter organized theft groups that are targeting all stages of the supply chain.
 - The Task Force is required to report to Congress within 180 days following enactment, and annually thereafter, describing the effectiveness of the Task Force.

Supporting Organizations: Association of American Railroads (AAR), American Trucking Associations (ATA), National Milk Producers Federation, U.S. Dairy Export Council, UPS, Union Pacific (UP), U.S. Chamber of Commerce, Retail Industry Leaders Association (RILA), National Retail Federation, National Association of Manufacturers (NAM), and BNSF Railway.

To co-sponsor the bill, please reach out to Parker Edwards, Parker.Edwards@mail.house.gov in Rep. David Valadao's office.