

February 17, 2025

The Honorable Rand Paul
Chairman
Committee on Homeland Security and
Governmental Affairs
United States Senate
340 Dirksen Building
Washington, D.C. 20510

The Honorable Gary Peters
Ranking Member
Committee on Homeland Security and
Governmental Affairs
United States Senate
340 Dirksen Building
Washington, D.C. 20510

Dear Chairman Paul and Ranking Member Peters,

We write to you on behalf of the collective mailing industry that depends upon the United States Postal Service (USPS). This sector employs 7.9 million Americans, representing 5% of the civilian workforce and generates \$1.9 trillion in revenues accounting for 4.1% of U.S. GDP. Yet all of this is at grave risk due to the policies of the USPS's Delivering for America Plan. Over the last several years, our industry and its customers have faced deteriorating service, and huge rate increases at an unprecedented twice a year pace which have resulted in excessive volume declines all while USPS costs have continued to rise. This is not what the Delivering for America Plan (DFA) promised. Increasing prices for deteriorating services is not a sound business plan.

We appreciate the attention you gave to the USPS in hearings at the end of last year which highlighted these problems and we believe made clear that Postmaster General DeJoy intends to continue these destructive policies regardless of the negative outcomes which cannot be denied. Now, we urge you to act immediately and decisively to bring a halt to these destructive policies before they go beyond the point of no return. The Congressional Budget Office has determined that the USPS could run out of operational funds by 2028. We believe on the current path, this could happen even sooner. In any event, this makes the term of the 119th Congress a decisive period that could well decide the fate of the USPS and the businesses that depend upon it. You alone have the power to act to halt the destruction that is occurring.

We are supportive of the USPS SERVES US Act introduced in the last Congress to modernize and restore the Postal Regulatory Commission (PRC) to be an effective body capable of holding the USPS accountable. Other measures may also be needed to address USPS financial liabilities and costs but enacting legislation takes time. While some sort of privatization may be a potential solution, the issue requires much further discussion to ensure that such changes will better serve all constituents especially those in rural areas. While we hope you will consider the provisions in the USPS SERVES US Act and look forward to working with you and your staff on ways the private sector could be engaged to improve USPS efficiency and lower costs, there are immediate actions we urge you to take to maximize the potential for the current regulatory and governance structures to arrest the perilous volume declines. We request that you take the following actions:

- Immediately contact the PRC and direct them to rule promptly on the pending review of the USPS rate setting system (Docket Nos. RM2024-4, RM2022-5, RM2022-6, RM2021-2, and RM2021-2). It is critical the PRC act to constrain USPS rate authority that has produced rate

increases far in excess of the rate of inflation that are driving huge amounts of mail out of the system.

- Contact President Trump and urge him to quickly nominate candidates for the four vacancies on the USPS Board of Governors with qualified backgrounds in logistics and network management to ensure that USPS management policies are scrutinized. A full and competent Board is essential.
- Advance emergency legislation to freeze the Delivering for American Plan in its entirety including the large rate increase planned for July, until it can be fully assessed by the committee and corrective legislation passed to address its failures.

We believe the hearing made clear that the DFA has not produced the intended benefits in terms of service, package volumes or cost efficiencies. Postmaster General DeJoy was equally clear that he has no intention of changing course notwithstanding grave concerns expressed by the PRC. As GovExec [reported](#) on January 6, 2025, the USPS's own Inspector General found that the trial for the USPS intentional service degradation under consideration in the advisory opinion process by the PRC (Docket N2024-1) not only failed to produce savings but also actually increased costs. At the PRC hearing, many commissioners discussed numerous problems that were reflected in the 300-page January 31, 2025 decision citing serious flaws, yet Postmaster General DeJoy stated in his testimony both before your committee and the House oversight committee that he will likely move forward. This highlights one of the inadequacies of the current regulatory system that does not give the PRC the power to stop such changes.

At the hearing PRC Vice Chairman, Robert Taub, stated, "If there is a status quo, the status quo seems to be the Delivering For America plan and its continuation...and it concerns me because it reminds me of the old quote of the definition of insanity is continuing to do the same thing and expect a different result." We implore you to remind Commissioner Taub and his colleagues that they have the power to change the status quo and urge them to use it while there is still time. In addition, the PRC issued an Advisory Opinion on the DFA plan January 31, which conclusively demonstrates that the plan depends on defective modeling, relies on overly optimistic and unsubstantiated financial projections for cost savings, and has significant negative impacts on rural communities.

Thank you for your consideration of these requests and we stand ready to work with you to develop legislation that can put the USPS back on track and preserve its essential role in connecting America's citizens and businesses everywhere in the country, providing the highest quality mail processing and delivery services at reasonable prices.

Sincerely,

American Forest and Paper Association
ANA
Association for Postal Commerce
EMA
Greeting Card Association
Mailers Hub
National Newspaper Association
News Media Alliance
Printing United Alliance