

# INDUSTRY **ADVOCATE**

**SPRING 2025**

QUARTERLY DIGEST

## U.S. Postmaster General Louis DeJoy Steps Down

On February 18, the U.S. Postal Service (USPS) announced that Postmaster General Louis DeJoy will step down after nearly five years in office. The Postal Service Board of Governors (BOG) will begin selecting his successor.

A former logistics executive, DeJoy was the first postmaster general in nearly two decades who was not a career postal employee. He spearheaded the *Delivering for America* plan, a 10-year strategy focused on financial sustainability and modernization, including consolidating mail processing centers to cut costs.

Critics, including members of Congress, argued that the consolidations have slowed service, particularly in rural areas. Throughout his tenure, DeJoy defended USPS reforms before Congress, citing years of underinvestment and strategic neglect.

Despite reform efforts, USPS reported a \$9.5 billion net loss in FY 2024, following a \$6.5 billion loss in FY 2023, as first-class mail volume continued its long decline. To address financial challenges, USPS raised stamp prices in July 2024 and plans further increases each July and January through 2027, except for a temporary pause which took place in January 2025.

Because USPS is a key delivery channel for the printing industry, PRINTING United Alliance has a vested interest in ensuring a reliable and affordable postal service. We will continue to collaborate closely with our partners, including policymakers, industry leaders, and postal stakeholders, to ensure that the U.S. Postal Service remains a reliable and cost-effective service for businesses and consumers alike.

This American institution, celebrating its 250th anniversary this year, has long been a cornerstone of communication and commerce, connecting



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communities, businesses, and individuals across the nation. Its role in delivering mail and packages reliably and affordably remains as vital today as ever. The Alliance thanks Mr. DeJoy for his public service as we look forward to working with a future postmaster general. Through collaboration, innovation, and smart policy together we can ensure that the U.S. Postal Service continues to thrive for generations to come. ■

# CONGRESSIONAL UPDATE

## House Committee Holds Hearing on Prioritization of Small Business Growth

The House Committee on Small Business, led by Chair Roger Williams (R-TX), held a hearing on February 5 titled “*Hope on the Horizon: Prioritizing Small Business Growth in the 119th Congress*.” The focus was on supporting Main Street businesses, boosting economic opportunities, and fostering job growth. For print service providers, many of which are small businesses, this renewed effort to prioritize small business growth—combined with support from Congress—brings an optimistic outlook for the future.

Rep. Williams reported that the committee’s mission is to represent the hardworking men and women of Main Street America, and they will work to create an environment for small businesses to grow.

Witness Karl Hutter, CEO of Click Bond, testified that regulatory costs, which total \$3 trillion annually, disproportionately burden small manufacturers. He warned that expiring tax policies add further uncertainty and could harm American manufacturing competitiveness. Citing research from the National Association of Manufacturers (NAM), he emphasized that failing to extend key tax policies could cost the U.S. nearly 6 million jobs and \$1 trillion in GDP.

Congress can support small businesses through a variety of policies that reduce financial burdens, increase access to resources, and foster growth. Here are some key areas discussed during the hearing and where policy changes can have a significant impact:

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### REGULATORY REFORM

- Simplify or eliminate unnecessary regulations that disproportionately burden small businesses.
- Provide exemptions or tailored compliance requirements for small businesses to reduce administrative costs.

### TAX RELIEF AND INCENTIVES

- Reinstate and make permanent key tax provisions that benefit manufacturers and small business owners including the pass-through deduction, full deduction of R&D expenses, and full expensing of capital investments.
- Offer tax credits for job creation, employee training, and investment in new technologies.

### ACCESS TO CAPITAL

- Strengthen Small Business Administration (SBA) loan programs to make funding more accessible.
- Encourage banks and financial institutions to provide more lending opportunities to small businesses.

### TRADE AND TARIFF POLICIES

- Reduce or eliminate tariffs that increase costs for small businesses reliant on imported materials.
- Negotiate trade agreements that open new markets for small business exports.

By addressing regulatory burdens, tax uncertainties, and trade challenges, policymakers can create a more stable and favorable business environment. By implementing these policies, Congress can create a more favorable environment where small businesses can thrive, innovate, and contribute to economic growth. Congress is listening to Main Street and the future looks promising. ■

### NOMINATION OF LORI CHAVEZ-DEREMER FOR SECRETARY OF LABOR

On February 19, the Senate Health, Education, Labor and Pensions (HELP) Committee will hold a confirmation hearing for Lori Chavez-DeRemer (R-OR), former U.S. Representative and Congressional Printing Caucus co-chair, nominated by President Trump to lead the Department of Labor (DOL). Her confirmation may face hurdles, as Senator Rand Paul (R-KY) has expressed opposition due to her past support for union-friendly legislation like the PRO Act.

The committee can recommend her nomination favorably, unfavorably, or with no recommendation. If she receives a favorable recommendation, the nomination moves to the full Senate, where a majority vote is required for confirmation. PRINTING United Alliance sees her potential leadership as beneficial, given her understanding of the printing industry’s challenges and opportunities. We plan to monitor and report on the nominee’s progress.

### TARIFFS AND TRADE UPDATE

On February 13, President Trump expanded his trade agenda by launching a comprehensive review of trade barriers, aiming to introduce new reciprocal tariffs based on the impact of foreign trade policies on U.S. exports. Set for rollout by April 1, this approach considers value-added taxes (VAT), regulatory policies, and other economic measures.

The administration argues that VAT systems, used by over 160 countries, act as indirect tariffs, disadvantaging U.S. exports while benefiting foreign exporters. Under this plan, U.S. tariffs would be determined country by country, accounting for both existing foreign tariffs and non-tariff barriers like VAT and market restrictions. This policy could lead to significantly higher duties on major trading partners with high VAT rates, such as the EU, India, and Brazil.

Effective March 12, aluminum tariffs will increase from 10% to 25%, while steel imports will remain subject to a 25% duty. Additionally, tariff exemptions for Canada, Mexico, the EU, the UK, Japan, South Korea, Argentina, Brazil, and Australia will be revoked, making their steel and aluminum exports fully subject to tariffs.

Meanwhile, the 30-day pause on 25% tariffs for imports from Mexico and Canada will expire on March 4. The Alliance will continue monitoring and providing updates on these evolving trade developments. ■



## Washington State MOVES TO BAN MOST PRINTING INKS ...Again

BY GARY JONES

The Washington State Department of Ecology (DoE) initially sought to regulate inadvertent polychlorinated biphenyls (iPCBs) in printing inks but faced stiff opposition in 2022 from PRINTING United Alliance. After determining it could not enforce stricter limits than the U.S. Environmental Protection Agency (EPA), the strategy shifted to the legislature and a 2023 bill aimed at banning chlorinated pigments in inks was introduced. That bill was later blocked by an opposition campaign led by the Alliance and its members.

Instead, a bill did pass the state legislature that required the DoE to petition the EPA to revise iPCB limits under the *Toxic Substances Control Act* (TSCA). However, in April 2024, the EPA denied the petition, citing a lack of evidence that EPA’s current limit for inadvertent PCBs was not protective of human health or the environment.

Still not satisfied with the outcomes to date, DoE decided to include inks as a target for further regulation in its latest and second Safer Products draft report, *Draft Identification of Priority Products Report to the Legislature: Safer Products for Washington Cycle 2 Implementation Phase 2*. The report was released at the end of November 2024 and describes DoE’s plan for chemicals it wants to regulate for 2025. In the report, the DoE claims it is not preempted by TSCA from regulating iPCBs in inks, but according to TSCA, DoE is prohibited from regulating iPCBs.

While the DoE contends that all chlorinated pigments contain iPCBs, no evidence has been provided by the DoE that the manufacturing of pigments that contain chlorine creates iPCBs. Before the comment period for the draft report closed on December 31, 2024, the Alliance submitted extensive comments in strong opposition to the inclusion of inks in the report.

If the DoE regulates printing inks, it could have a devastating economic impact on printing within the state, as well as on printed products shipped into the state. Washington State’s printing industry employs over 13,000 people, with wages exceeding \$700 million and annual shipments nearing \$3 billion. The Alliance will continue to work to ensure that the DoE’s pursuit of regulating printing inks does not unduly impact the printing industry.

The Alliance is continuing to oppose the inclusion of inks for further regulation. It is following up with DoE on their erroneous position. ■



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