

# Americans & Small Businesses Need Postal Reform to Support Package Delivery

### Mail & Packages Must Be Delivered Together, 6 Days a Week

Tom Schatz, Citizens Against Government Waste: "Eliminating six-day delivery has previously been proposed as a cost-saving measure, but the increased package delivery that USPS is now providing makes that moot. In fiscal year (FY) 2020, the USPS had income of \$11 billion above its costs for competitive mail and services, including packages. If separate networks were established, that positive result would vanish and the USPS would be forced to raise prices, since it would cost more than \$15 billion annually for a separate and parallel fleet of vehicles and tens of thousands of new employees."

Horace Cooper, National Center for Public Policy Research: "We should let the Postal Service move to real profitability by doing what it does best – delivering mail and packages...As mail delivery shrank over the past 15 years, package delivery increased. Postal Service package deliveries have been a lifeline during the pandemic, from seniors receiving their medications, to small businesses struggling to reach customers, and to individuals throughout the country purchasing essential supplies and consumer goods."

<u>Fredric Rolando, National Association of Letter Carriers</u>: "In layman's terms, the USPS is to do what it has always done: deliver letters and packages together using the same infrastructure for delivery. These shared networks offer economies of scope that help keep our postage rates the lowest and most affordable in the developed world. Enacting postal reform will keep them that way by lessening the need to increase rates on packages and letters alike."

Peter Roff, Washington Times: "The last time Congress passed a piece of postal reform legislation, the primary concern was that the Postal Service might use earnings from its monopoly mail business to subsidize the cost of comprehensive package delivery — a globally competitive business. Instead, the opposite occurred. Package deliveries are keeping the Postal Service afloat. Last year they generated a net \$11 billion for the USPS over and above what it costs to deliver packages to every address in the continental United States six days a week."

**John McHugh, Package Coalition**: "An integrated delivery network is essential to the continued vitality of the Postal Service's letter mail and package businesses and to the ideal of a self-sustaining Postal Service...And the Postal Service uses the profits from its package business (\$11 billion above costs in FY2020), to help defray the costs of maintaining a nationwide mail delivery network. Without the positive financial contribution from its package business, the Postal Service would have to look to letter mailers or Congress to fund its operations."

Art Sackler, Coalition for a 21st Century Postal Service: "Congress must step in and pass the Postal Service Reform Act so that the Postal Service can regain its financial footing, but it also needs to direct the Postal Regulatory Commission to reassess the way USPS raises postage rates. When we were isolated during the COVID-19 pandemic, the Postal Service was a critical lifeline for millions of Americans, delivering medicines, personal protective equipment, food and other household staples. For many Americans, especially in rural areas, it still is a lifeline and always has been."

### U.S. Small Businesses Rely on USPS Affordable, Reliable Package Delivery

Patti Riordan, Smoke Stack Hobby Shop (OH): "The only way to ship competitively is to use the Postal Service. By far the most affordable package carrier for small businesses is the Postal Service. Shipping directly to customers is already a huge cost for our business...Big-box stores might be attractive customers for private carriers like UPS, but our small store doesn't send enough packages to get a good deal on a shipping contract. The Postal Service's package prices help us to keep our hobby shop's prices competitive."

Morgan Harris, Green Bambino (OK): "Like many small businesses across the country, stores were almost exclusively dependent on brick-and-mortar until 2020. The pandemic led to stay-at-home orders and a sharp decline in in-person shopping, but Oklahoma families still needed diapers, clothes, toys and more. To continue to support customers, small businesses pushed themselves to recommit to e-commerce. Without the U.S. Postal Service, it would have been almost impossible for many to stay in business and support Oklahoma's families during the pandemic."

<u>Leah and Timothy Shirey, Hive & Honeybee (SC)</u>: "As the owners of a small business based in South Carolina, we see firsthand the high percentage of our revenues that go to packaging and shipping. The U.S. Postal Service's package delivery is critical to getting our products to the doors of our customers -- at an affordable price. With Congress debating landmark postal reform, it's vital for small businesses that the legislation keeps mail and packages delivered together, six days a week."

## Postal Reform Has Strong, Bipartisan Support

**Representative Carolyn Maloney (D-NY)**: "I am proud to introduce the bipartisan Postal Service Reform Act to help ensure the Postal Service can continue to serve Americans on a more sustainable financial footing for years to come...Ultimately, this bill will preserve and strengthen the Postal Service, one of our nation's most vital and respected institutions."

Senator Rob Portman (R-OH): "While its role in American life has changed over the years, the United States Postal Service remains a key part of American life, serving Americans through its delivery of vital medicines, important packages, and other mail. For that reason, I am proud to join Senator Peters in introducing the Postal Service Reform Act of 2021, which will, when coupled with the Postal Service's transformative 10-year plan, help turn around the substantial losses...and ensure self-sustaining, high-quality postal service for all Americans."

<u>Senator Gary Peters (D-MI)</u>: "Millions of Americans and Michiganders, including seniors, veterans, and small business owners, rely on the Postal Service to deliver...This commonsense, bipartisan legislation would help put the Postal Service on a sustainable financial footing, ensure it is more transparent and accountable to the American people, and support hardworking postal workers who deliver rain or shine to communities all across the country."

Representative James Comer (R-KY): "The American people rely on the U.S. Postal Service for everything from bills to receiving prescriptions to staying in touch with their families. It is an incredibly important institution and we must ensure it's around in the future. The Postal Service Reform Act, coupled with Postmaster General Dejoy's business reform plan, will help put USPS on the road to fiscal stability, make it more efficient and sustainable for generations, and ensure continued service to the American people."

<u>Senator Jacky Rosen (D-NV)</u>: "The United States Postal Service is an institution that does invaluable work for our communities. I'm proud to help introduce this comprehensive bipartisan legislation which will assist the USPS as it expands and evolves to meet the needs of all Americans. This legislation removes an unnecessary pre-funding requirement, streamlines employee Medicare plans, codifies a 6-days-a-week delivery standard, and expands the number of services that the USPS can provide to communities, including hunting and fishing licensing.

#### Editorial Boards Nationwide Support Postal Reform

<u>The New York Times Editorial Board</u>: "This year, the Postal Service has returned to its traditional role of being the one thing in Washington that Democrats and Republicans can reliably agree on. It is heartening to see lawmakers from both parties lining up behind the Postal Service Reform Act of 2021 — legislation introduced in the Senate and House that would help bring the mail into the 21st century."

Washington Post Editorial Board: "What's happening, then, is that lawmakers have converged on the bare minimum needed to tidy up the Postal Service's finances, without imposing any onerous new obligations on the agency in the process. All things considered, that's progress, and worthy of support, doubly so since the proposal shows that Republicans and Democrats can still work together once in a while. Here's another truth about postal reform: In this area of policy, as in so many others, the best should not be the enemy of the good."

Norfolk Daily News (VA) Editorial Board: "The encouraging news is that Louis DeJoy, the postmaster general, unveiled last year a 10-year strategic plan for the postal service designed to ensure it can be a self-sustaining, user-financed operation. More recently, a bill introduced by U.S. Sens. Rob Portman, an Ohio Republican, and Gary Peters, a Michigan Democrat, would build off Mr. DeJoy's plan. The plan has four key components, all of which make sense."

<u>Pittsburgh Post-Gazette Editorial Board</u>: "In the meantime, Congress should resist distraction and remain focused on the task at hand — reform, capitalizing on the bipartisan momentum behind the current bill. This is a way to start the USPS on its road to sustainable solvency."

<u>Buffalo Bulletin (WY) Editorial Board</u>: "Some have argued that the USPS should be privatized. The myth that a private company would provide better service to us is simply not the case. Were the USPS privatized, service to rural states would be curtailed, because it's just not profitable. Presently no tax dollars fund the USPS. The agency operates solely on revenue generated from postage."

Mankato (MN) Free Press: "Re-imagining what the agency does while maintaining the premise that it must serve every address in the nation, six days a week, is what will make the USPS healthy again. There's good reason [for] saving as the Postal Service has support in both parties. Americans of every political stripe rely on and admire the agency and don't want to see it go away or be privatized."