



September 16, 2022

Please Cosponsor HR 8781, the Ensuring Accuracy in Postal Rates Act

- Huge rate increases – multiples of inflation – authorized by the Postal Regulatory Commission in a review of postal rate setting, were imposed by USPS August 29, 2021
 - Another major increase was imposed on July 10, 2022. Cumulative increase: 14 – 18%, depending upon category of mail
 - 16 – 20% if the inflation increase from January, 2021 is included
 - These increases are unsustainable for the industry and suppliers
 - Especially heavy hit for charities and others “under water”
 - USPS will impose yet another increase of more than 4% in January
 - USPS has advised it will impose an increase after that in July
- Much has changed since the PRC made its decision
 - USPS is in much better overall financial position because of elevated package volume and a one-time cash infusion from Congress of \$10 billion
 - Congress also provided \$3 billion for electric postal vehicles in the Inflation Reduction Act
 - Even more importantly, the recently-enacted and vital Postal Service Reform Act removes \$107 billion from the USPS balance sheet
 - The latest, and largest, increase was imposed fewer than three months after PSRA enactment
- We are seeking a “second review” by the Postal Regulatory Commission
 - The Commission would conduct another, independent review of the postal rate-setting system considering all that has changed since March, 2020
 - Its previous decision enabling larger increases by USPS did not take into account any of the above changes
 - Its record for that decision closed in March, 2020
- HR 8781 would require such a second review, to be started within 90 days and completed within one year of enactment
- We urge you to cosponsor this bill
 - Would benefit charities, nonprofits, and small businesses, including newspapers and magazines if the Commission changes its decision in light of these changed circumstances, among all users of mail
 - Would benefit USPS and the public generally by not driving even more mail out of the system
 - Will benefit not only mail, but packages, whose prices would not have to make up for a shortfall in mail, rendering USPS less competitive