

December 9, 2024

The Honorable Jamie Comer Chairman Committee on Oversight and Accountability U.S. House of Representatives 2157 Rayburn House Office Building Washington, D.C. 20515 The Honorable Jamie Raskin Ranking Member Committee on Oversight and Accountability U.S. House of Representatives 2157 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Comer and Ranking Member Raskin:

The Envelope Manufacturers Association (EMA) respectfully submits the following statement for the record for the House Committee on Oversight and Accountability (Committee) December 10, 2024, hearing titled, "Oversight of the United States Postal Service." EMA members manufacture and supply paper-based communications, especially envelopes and printed products. EMA also supports education and research through the EMA Foundation for Paper-Based Communications. EMA and our member companies are part of the U.S. mailing industry, which represents 7.9 million American jobs and generates \$1.9 trillion in sales revenue and depends on a reliable and affordable United States Postal Service (USPS).

We applaud the Committee for continuing its oversight of the USPS and the implementation of Postmaster General Louis DeJoy's "Delivering for America" (DFA) plan. Since the implementation of this plan, postage rates have gone up 33% or more for certain categories of mail, and service has declined significantly. We, like many in the mailing industry, are concerned that continued implementation of this plan at this pace could jeopardize the overall long-term viability of the USPS to serve the American people and business who depend on it.

While USPS continues to raise rates and slow service the financial picture continues to worsen. USPS lost \$6.5 billion in 2023, the year that the Postmaster General projected the USPS would break even. In Fiscal Year 2024, USPS lost a staggering \$9.5 billion, in a year when the DFA plan projected revenue of \$1.7 billion.

With the unprecedented rate and pace of postage increases it is no surprise that USPS suffered substantial losses in volume for all types of mail. The losses in mail volume, from our perspective, are attributable to the large and frequent postage increases. The price hikes coupled with the slower service will continue to harm the U.S. mailing industry and the USPS's own bottom line. Paying more money for poor service is disincentivizing businesses and everyday Americans from utilizing the mail.



Considering all the problems USPS is facing, we are concerned that the leadership of the USPS is continuing down the same path of implementation of DFA, with significant investment in a redesigned network, unprecedented rate hikes, and slower service, and somehow expecting a different result than we have experienced since the DFA plan launched in 2021.

We urge Congress to aggressively continue its oversight efforts in the new Congress and look forward to collaborating with the Committee on potential legislative fixes to problems that the USPS is unwilling or unable to make on its own.

Sincerely,

A. Clark

Marie Hobson Clarke, Esq. President EMA and EMA Foundation