

June 24, 2025

The Honorable Pete Sessions Chairman Subcommittee on Government Operations U.S. House of Representatives 2157 Rayburn House Office Building Washington, D.C. 20515 The Honorable Kweisi Mfume Ranking Member Subcommittee on Government Operations U.S. House of Representatives 2157 Rayburn House Office Building Washington, D.C. 20515

Chairman Sessions, Ranking Member Mfume, and Members of the Subcommittee:

Thank you for the opportunity to submit this statement for the record as you oversee the future of the United States Postal Service (USPS) and its impact on the American people and the economy.

The Envelope Manufacturers Association (EMA) represents a critical sector of the broader mailing industry. EMA's mission is to promote and protect the envelope manufacturing industry and paper-based communications. The EMA Foundation advances education, research, and public understanding of the enduring value of mail. We respectfully urge Congress to act decisively to stabilize and modernize the Postal Service in a way that protects the essential role USPS plays in the American economy.

We are especially grateful to the Subcommittee for prioritizing this issue at such a pivotal moment for the postal service— and for assembling a panel that includes the voices of USPS customers who rely on the mail every day. This hearing is an important opportunity for stakeholders to share constructive solutions to strengthen the Postal Service for the future.

The U.S. Mailing Industry is an Economic Engine

According to the EMA Foundation's most recent research, the mailing industry accounts for 7.9 million American jobs and generates \$1.9 trillion in annual sales revenue across diverse sectors, including manufacturing, logistics, printing, and nonprofits. These are not hypothetical jobs — they are livelihoods in every congressional district, from small local businesses to large-scale production facilities.

The USPS is the backbone of this ecosystem. Its universal service obligation and delivery network connects over 167 million American addresses. But today, that system is under extraordinary strain.

The Case for a 'Strategic Pause'

The Delivering for America (DfA) plan is not working. We strongly urge Congress to support a 'strategic pause' in further implementation of the DfA plan — including additional price increases, transportation changes, and service degradations — until incoming Postmaster General David Steiner is in place and empowered to assess the state of affairs and chart the direction of the agency.

Launching a 7th rate increase under DfA on July 13, 2025 — the day before his official start date — effectively ties the new Postmaster General's hands and precludes any opportunity for meaningful leadership transition or course correction. The Postal Service should not continue to barrel forward with damaging reforms without oversight or recalibration.

Mail Is Essential — and Effective

Mail remains one of the most trusted, data-driven, and effective communication tools for marketers, nonprofits, and the American people. It is a uniquely inclusive medium — one that reaches every American, in every ZIP code, every day. Americans across the country rely on the Postal Service to receive everything from prescription medications and utility bills to birthday cards, small business orders, election ballots, and charitable appeals—proof that even in a digital age, mail continues to connect, inform, and deliver with trust and impact.

But even the best tools are abandoned when they become cost-prohibitive or unreliable. Mailers are reducing volumes or exiting the mail stream because USPS service has become less predictable and far more expensive, with no clear long-term strategy for recovery.

Mail as Revenue

It is essential to underscore that Market Dominant mail remains the Postal Service's most reliable and predictable source of revenue. First-Class Mail and Marketing Mail provide the financial foundation that supports the entire postal network — including package delivery and the universal service obligation.

Yet mailers — the customers who generate this revenue — are being driven away by a pricing strategy that raises postage costs (over 40% in under 4 years) without improving service. The USPS cannot expect its most loyal commercial customers to continue absorbing steep, twice-yearly rate increases while USPS continues to lower service standards and reliability declines.

This mismatch between rising postage rates and deteriorating service standards is not sustainable. It undermines confidence in the mail and accelerates volume and revenue losses that the Postal Service seeks to avoid.

Legislative Action Is Needed

For these reasons, EMA strongly supports the USPS SERVES US Act, (H.R. 3004). This legislation would restore necessary checks and balances to the postal system and is a critical step toward restoring long-term sustainability and trust in the postal system.

EMA respectfully ask the Subcommittee to:

- 1. Urge the USPS Board of Governors to pause the Delivering for America Plan, especially the July 2025 rate increase and the "Regional Transportation Optimization" initiative to give the incoming leadership the ability to reassess the current path.
- 2. Support the swift passage of the USPS SERVES US Act (H.R. 3004) to strengthen postal accountability and protect the public interest.
- 3. Urge the Administration to nominate individuals to the USPS Board of Governors who have experience in and understand the mailing industry, so that strategic decisions made by the Board are informed from the perspective of the customers who generate the Postal Service's core revenue.

We thank the Subcommittee again for your leadership in holding this timely and necessary hearing. The Postal Service plays an indispensable role in the American economy and our national identity — and its future depends on restoring balance, trust, and customer confidence. EMA stands ready to work with Congress and postal leadership to ensure a vibrant, affordable, and reliable mail system for generations to come.

Respectfully submitted,

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of Oak

President

EMA and EMA Foundation