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March 20, 2026

Rep. James Comer, Chairman, Committee on Oversight
 Rep. Pete Sessions, Chairman, Subcommittee on Government Operations
 Rep. Kweisi Mfume, Ranking Minority Member, Subcommittee on Government
 Operations
 Members of the Subcommittee on Government Operations

Re: March 17, 2026 Hearing on USPS Finances

On behalf of the Alliance of Nonprofit Mailers (ANM) we submit this statement for the record in the above-referenced hearing held on March 17, 2026. We greatly appreciate the time, attention, and seriousness which Chairman Comer, Committee on Oversight, and the leadership and members of the Subcommittee on Government Operations, are giving to the critical issues facing our Postal Service.

Our association represents leading charities and nonprofit organizations, and our mission is to preserve affordable, reliable access to the U.S. Mail—ensuring that America’s nonprofits can continue to fulfill their vital missions. Alliance board member organizations include Guideposts, ALSAC/St Jude’s Children’s Research Hospital, Disabled American Veterans, National Wildlife Federation, Wounded Warrior Project, AARP, American Heart Association, Consumer Reports, and the New England Journal of Medicine. In addition, we have a diverse cross-section of nonprofit organizations as members, as well as suppliers/service providers to the nonprofit community as sponsor members of the association.

Our members are largely captive users of the Postal Service’s monopoly in that direct mail tends to be their best avenue for raising funds, distributing publications, building membership, and communicating with members, donors, constituents, and lawmakers. Nonprofit organizations mail 11 percent of all market-dominant mail volume and purchase significant volumes of First-Class Mail, Marketing Mail, and Periodicals Mail to support their charitable purposes.

In addition to sharing the impacts that excessive USPS postage increases have had on nonprofit organizations (see below), we would like to add to the record in response to some questions and comments that came up during the hearing. We are hopeful that a solution to the USPS’ financial issues can be developed that does not depend on additional price gauging of captive mailers like nonprofit organizations.

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USPS Revenue Sources. The subcommittee asked about where the USPS' revenue comes from, and while we trust the USPS will provide the requested information, we note that it is available in public record in the USPS' Revenue, Pieces, and Weights (RPW) Reports which are filed quarterly with the Postal Regulatory Commission (PRC).

In the USPS' Fiscal Year 2025, **58.1%** of the USPS' total revenue came from mail (Market Dominant products) vs. packages (Competitive Services products). Within the monopoly mail side of the USPS' charter, in FY2025 only 14.7% of its Market Dominant revenue came from consumers (First-Class Mail Single Piece letters and cards). The vast majority of the USPS' Market Dominant revenue (**85.3%**) came from businesses and nonprofit organizations paying postage to send mail.

We note this fact because it helps put into perspective comments that attempt to minimize the impact of price increases by pointing only to impacts on consumers. While it may be true that increasing the price of a stamp to \$1.00 might not be significant for most consumers, it would be hugely significant for businesses and nonprofit organizations that rely on using the mail.

USPS Price Increases Above CPI are Driving Volume out of the System Faster.

During the past five years, the Postal Service has increased both the frequency and magnitude of its postage price increases significantly above the CPI cap articulated in the Postal Accountability and Enhancement Act (PAEA). Speaking for the nonprofit mailing sector, these increases have accelerated mail volume decline. And mail volume retention and growth are crucial to the Postal Service's future as a business dependent on volume and economies of scale.

Since the Postal Service was granted and has aggressively used rate authority above CPI, starting in 2021, nonprofit mail volumes (Nonprofit Periodicals and Nonprofit Marketing Mail) have declined by an average of 3.5% annually from FY 2021 to 2025. Over the prior 15 years (which included extraordinary events like the Great Recession and pandemic), nonprofit mail volumes declined at a slower pace -- by an average of 1.7% annually. The annual rate of decline in the last five years has more than doubled, even in the absence of recession and COVID-19.

Nonprofit Organizations That Rely on an Affordable Postal Service are Suffering.

In recent proceedings before the Postal Regulatory Commission (PRC) as it reviews the future of the USPS postage rate system, our members and other nonprofit organizations are on record sharing the devastating impacts above-CPI price increases are having on their ability to perform their critical nonprofit missions.

Excessive postage rate hikes forced **Wounded Warrior Project** to reduce the quantity of mail it bought for fundraising and to disseminate important informational materials about veterans services, drove **Disabled American Veterans** to cut its mail volume by more than 25 percent while having to pivot to less effective fundraising channels, and compelled **Consumer Reports** to reduce mail frequency and slash volume by 65 percent. Based on letters and declarations submitted to the PRC, above-inflation price

increases “would hamper [**American Lung Association’s**] ability to fight lung disease,” would “inevitably result in reduced revenue” for the **Alzheimer’s Association** and “affect the provision of the services on which so many persons affected by Alzheimer’s and related dementias depend,” would impact **UNICEF’s** “ability to raise funds to support our programs that help save the lives of children around the world,” and so much more.

The **Dollywood Foundation** has had to “raise per-child costs for local and state partners” in its book-gifting program for children due to “repeated double-digit postage increases” since 2020. Mercy Home for Boys and Girls “will be forced to cut back on mailings, which will impact our ability to raise funds and will, ultimately, reduce the number of children and families we can help” if the CPI cap is not restored.

Dozens of nonprofit rural electric cooperatives located in largely rural areas of the United States have sent letters to the PRC describing the postage price increases they have experienced in the past five years and the impact on their ability to serve their rural communities.

Kentucky Electric Cooperatives, an association that serves 26 member electric cooperatives across the state, told the PRC that “[i]n 2025, we mailed approximately 6,416,066 individual magazines.” “This is a 13% increase in circulation volume over 2020,” it said, but noted that “[h]owever, in 2025, we paid USPS \$1,508,010 to mail those magazines—an 83% increase over 2020.” “This is devastating and such an increase is unreasonable,” it said.

The **Virginia Maryland Delaware Assn of Electric Cooperatives**, which represents 16 nonprofit, member-owned electric distribution cooperatives throughout the rural tri-state area serving over 2 million people, said that “[o]ver the past five years our postage has increased 84.2% at the same time lower delivery and service standards.” “We have taken measures to offset this increase such as changing trim size, page counts, paper weight and grade, essentially reducing our quality at the expense of postage,” it said. “Postage traditionally accounted for 33% of all costs associated with the manufacturing and distribution of the magazine,” the nonprofit group said, “today postage is 54.5% of all costs.” “This is simply not sustainable,” it said. “We must ensure all members have access to vital information that no other source can provide,” it told the PRC.

Texas Electric Cooperatives “publishes Texas Co-op Power magazine for the benefit of our not-for-profit member electric cooperatives,” it told the PRC. “The publication provides energy efficiency, outage management, and weather and electrical safety information to inform its 1.6 million subscribers,” it said. It told the PRC “[t]he series of rate changes over the last 4 years has increased the cost of mailing the magazine by almost 35%.” “The July 2025 increase, which was promoted as an 8% increase, actually increased our rates 20%-primarily due to changes that drastically increased the rates for some work-sharing levels,” it said.

“To manage the financial hit of the rate increases,” Texas Electric Cooperatives told the PRC, “we’ve had to make some difficult decisions over the past few years—including dropping from 40 to 36 pages and lowering the basis weight of the paper that we print on. Other than cutting mail volume to fewer issues per year, there are few remaining changes we could make that would result in savings significant enough to counteract continued aggressive rate increases.”

Georgia Magazine told the PRC that “[i]t’s roots run deep with an 80-year history of serving rural Georgians, providing vital and timely co-op news, including critical energy-saving information for consumers, legal notifications of annual meetings and other official business reports to cooperative members.” The nonprofit group told the PRC that it experienced an average postage rate increase of 57 percent between 2020 and 2025. “Budgeting for postal increases year-to-year has become increasingly difficult,” it said, “and these increases have been an unfair and untenable burden on our cooperatives that are already dealing with increased operating costs, tariffs and rising energy prices.”

“Many of the statewide cooperative magazines are having to make drastic changes,” Georgia Magazine said, “such as reducing frequency or cutting pages to control costs.” “Simply switching to a digital-only alternative to a print magazine is not a workable solution either,” it told the PRC noting that “[m]any of our members reside in rural communities where reliable broadband service is unavailable.” “Others lack internet access altogether, and for many who do have access, the cost remains prohibitive,” it said.

The NRECA (**National Rural Electric Cooperatives Association**), the national trade association representing nearly 900 local electric cooperatives and other rural electric utilities, told the PRC that “[e]lectric cooperatives own and maintain 2.7 million miles, or 42 percent, of the nation’s electric distribution lines and serve large expanses of the United States that are primarily residential and typically sparsely populated.” NRECA told the PRC that “postal rate increases in recent years, including the July 2025 increase, are forcing our members to make difficult decisions about whether and to what extent to continue mail service for myriad services they utilize, most notably the cooperative magazines.”

“These increases are untenable— particularly considering that all cost increases must ultimately be borne by consumer-members of the cooperatives,” NRECA said. “These members at the end of the line should not be forced to endure slower mail service due to the RTO Initiative on top of shouldering increased postal rates imposed on their electric cooperatives,” NRECA told the PRC. “This is even more stark considering that electric cooperatives serve 92 percent of persistent poverty counties in the United States and one in four households served by electric cooperatives have an annual income below \$35,000,” it said.

The Importance of Nonprofit Organizations to the U.S. and the USPS. According to the National Council of Nonprofits, “charitable nonprofits feed, heal, shelter, educate,

nurture, and inspire people of every age, gender, race, and socioeconomic status, from coast to coast, border to border, and beyond.”

Nonprofit organizations benefit the U.S. economy, with over 1.8 million recognized 501(c) organizations in the U.S. employing over 13 million people, representing 9.9% of all private sector employment. As of 2022, nonprofit employment equaled that from the manufacturing industry segment in the U.S., and was second only to the retail and food industries.

For FY 2025, \$2.12 billion of the Postal Service’s revenue came from nonprofit mailpieces, which represented over 11% of total market-dominant mail volume. That doesn’t include the mail in other categories that is generated as a result of a direct mail donation or subscription response. Most nonprofit mailpieces that are successful in bringing in charitable donations result in more mailpieces being sent at higher commercial rates. Subscriptions generate First-Class Mail pieces for bill payment and Business Reply Mail (BRM) pieces, and charitable donations are returned via First-Class Mail or Business Reply Mail pieces.

USPS Can’t Price Its Way to Financial Stability. The Postal Service can’t price its way to gain financial stability, as can be seen by the testaments from multiple nonprofit organizations, and similar conditions for commercial mailers. Higher prices lead to faster erosion of the USPS’ mail volumes, which is a serious concern for the long-term health of the system.

We believe that a multi-pronged approach is needed to put the Postal Service back on solid financial footing. The USPS needs to reduce its costs and improve its efficiency. As the Subcommittee is likely aware, the last few years have seen the lowest productivity numbers from the USPS in its history, and workhours are not being reduced at the pace of volume declines.

In just the last five years (FY2021 through FY2025), the USPS Office of Inspector General (OIG) identified a total of \$7.8 billion in USPS “questioned costs,” “revenue impacts,” and “funds put to better use,” many of which would accrue annually once implemented so that the total savings would be even higher over time. The USPS could start there in looking for opportunities to reduce costs, and although we welcome the reported recent formation of a USPS team to explore cost cutting opportunities, we believe such an effort should have been ongoing since the USPS first began to experience significant financial losses. Instead, the USPS answer seems to always be to continually raise prices on captive Market Dominant mail.

While an annual two percent reduction in costs (as referred to in the EIG Study recently submitted to the PRC, which said such cost reduction would see the USPS to break even status by 2030) may not be “easy,” as the Postmaster General said at the hearing, it is a fairly standard target in the private sector, and the USPS has accomplished that level of reduction and more in its “controllable” costs many years in the past. We believe it can do so again.

In Conclusion. In summary, businesses and nonprofit organizations largely fund the Postal Service's Market Dominant business, not consumers, and are significantly harmed by above-CPI price increases. Such price increases are accelerating the decline of mail volume, particularly for nonprofit organizations. Viable alternatives to using the mail are not always available to these organizations, particularly in rural America.

We support the Subcommittee's efforts to find solutions to the USPS' financial condition that do **not** include continually raising prices for captive mailers, which accelerates mail volume declines. Such solutions should include more aggressive cost-cutting focus by the USPS as well as legislative changes such as the USPS has requested Congress consider.

Please let us know if there is any additional information we can provide. I can be reached at the below email or phone number.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kathleen Siviter', with a stylized flourish at the end.

Kathleen Siviter
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