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The Hon. Susan M. Collins, Ranking Member
U.S. Senate Committee on Homeland Security & Governmental Affairs
340 Dirksen Senate Office Building
Washington, DC, 20510

March 14, 2012

Dear Senator Collins,

I have just learned that the USPS has proposed language for a bill that would give it the ability to raise stamp prices only as a means of offsetting adjustments to the processing network reduction plan. In addition, this alarming proposal would break the connection between pre-sort and single piece First Class Mail and eliminate any protection for the stamp under the price cap. We have heard the USPS might raise stamp prices to 50 cents but the language would permit increases of any magnitude the USPS determines is necessary.

No other rates would be increased under this proposal.

Any rate increase is a matter of concern, however, this proposal is flawed in multiple respects:

1. It is hugely discriminatory. There is no justification to single out citizen mailers in this manner.
2. It impacts consumers, small businesses and particularly poor and rural customers who lack access to broadband Internet services (33% of U.S. households).
3. It violates the intent of provisions in the 2006 PAEA Act requiring “just and reasonable” rates as well as the goal of providing rate stability and predictability with a price cap.
4. It will not work. Single Piece mail, indeed all mail, has grown increasingly sensitive to price changes. You cannot make people use the mail. Research conducted by the Greeting Card Association strongly suggests that raising prices to 50 cents will drive consumers at all usage levels away from the mail.

For these reasons, I am asking you to oppose this provision in any form, whether as part of the manager’s amendment or in a separate amendment. We have supported S. 1789 as reported out of Committee, however, should this language be added, we could no longer do so and would be compelled to ask you to withdraw your support and oppose the bill.

I would like to remind you that consumers were already targeted for poorer service under the Postal Service's processing network reduction/service change plan. Now the USPS seems to suggest that in order to get marginally better service, consumers should endure a punishing, potentially unlimited increase while all other rates are unchanged. Why not adjust the rates for presort First Class mail and periodicals, since they would get better service under the plan as originally drafted, and their service would still be better under the revised plan?

Thank you for hearing our concerns. We cannot allow stamp users—who may be people who cannot afford to use (or who have not adapted to) electronic communications—to bear the burden of such an outrageous price increase.

Sincerely,

A handwritten signature in black ink that reads "Linda Sherry". The signature is fluid and cursive, with "Linda" on top and "Sherry" below it, both starting with a capital letter.

Linda Sherry
Director, National Priorities