



## The “*Deliver for Democracy Act*” U.S. Senator Peter Welch

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### **Background:**

The *Postal Accountability and Enhancement Act of 2006* established an inflation-based cap to annual price increases for all market-dominant postal products, including periodicals. In January 2021, the Postal Regulatory Commission adopted regulations that established 3 additional forms of rate authority. One of these, the non-compensatory classes and products rate authority, provides the Postal Service with an additional 2 percentage points of rate authority for any class of mail where costs exceed revenue.

USPS has maximally exercised this authority and, if a recent notice goes into effect, will have raised periodical postage rates by over 40 percent since August 2021. Despite such significant rate increases, however, the Postal Service has routinely failed to meet periodicals’ basic needs and achieve the 95 percent on-time delivery performance standard outlined in Postmaster General DeJoy’s 10-year plan. As a result, local news outlets, which must already navigate other existential challenges, are simultaneously subject to high distribution costs and poor service.

Such an arrangement is fundamentally at odds with much of U.S. history. During America’s earliest days, the country viewed the distribution of periodicals not as a mere transaction, but as a public good that should be supported. Generations of Americans have reaffirmed this core belief and fought to promote the free flow of information so essential to the cultivation of an engaged citizenry and a vibrant democracy.

### **Legislation:**

The *Deliver for Democracy Act* would carry on this tradition and help news outlets overcome the current crisis of local journalism by incentivizing reliable postal service and limiting excessive rate increases. Specifically, it would:

1. Require the Postal Service to either achieve at least a 95% on-time delivery rate for periodicals or an improvement of at least 2 percentage points to unlock its 2 percent surcharge authority for that class of mail;
2. Direct the Postal Service to annually report to the Postal Regulatory Commission on its progress in including on-time delivery data for newspapers in its periodical service performance measurement; and
3. Instruct the Government Accountability Office to conduct a study and submit a report to Congress on options for alternate USPS pricing schemes to improve the financial position of periodicals.

### **Endorsing Organizations:**

The *Deliver for Democracy Act* is endorsed by the National Newspaper Association and News/Media Alliance.