
Postal Affairs Update – April 9, 2020

As the COVID-19 pandemic continues, our Postal Affairs team is committed to keeping you and your clients up to date with developments related to USPS operations during this time of uncertainty. As a significant mailing industry partner, we are in a unique position to provide clear and accurate information, dispel rumors and suggest best practices during the health emergency. We will update you on a regular basis as the situation evolves.

Since last week's update, there have been a variety of developments and USPS announcements. But overall, **the postal service is fully functional**, and in some cases is actually providing services faster than normal due to reduced mail volume.

Here are the areas of significant development in the last week:

Update on the financial situation for the USPS

While there continue to be reports of a possible June shutdown, we see nothing that would indicate this is likely. Financially, things are basically the same as last week. The Board of Governors (BOG) did pass a resolution regarding the USPS borrowing authority. This ruling gives the Postal Service access to \$3 billion in FY2020 and an additional \$1 billion in FY2021. This only uses the existing borrowing authority that was previously available to them. Overall, the USPS has roughly \$10 billion cash on hand, \$4 billion of previous borrowing authority, and now an additional \$10 billion with the COVID-19 stimulus package. So the USPS does have access to roughly \$24 billion to remain operational. This does not solve its long-term financial crisis. But it does ensure they will be operational for the foreseeable future. Quad is continuing to work closely with Congress and the Administration to impress upon them the importance of the USPS to every household in the country and critical partnership the Postal service has with the business community throughout the country. It is important that Congress and the Administration help the Postal Service react appropriately to the COVID pandemic and continue to provide their essential services.

New Hold Mail Policy

The USPS previously announced that they will be extending their traditional 10 day hold policy to 30 days. It has now further extended this hold policy until April 30th. This is a significant update for many of our customers with time-sensitive mail. Additionally, the USPS announced that it continues to evaluate this policy and could extend it beyond April 30th, depending on when affected businesses can start to reopen.

Requalification Update

The postal service did relax the requirements for renewing requester and subscriber/paid publications with a temporary allowance during this COVID-19 outbreak. They are extending expirations of all legitimate requests and legitimate subscribers for six (6) months, effective from January 15, 2020.

This will allow publishers whose requests or subscriptions that have or would have expired in this timeframe (expirations until July 15, 2020), to continue to count those requesters/ subscribers as eligible or qualified requesters or subscribers. This includes renewals related to membership renewals.

This does not exempt publishers from submitting and publishing (if required) their PS Form 3526, Statement of Ownership, Management, and Circulation, in October 2020.

Retail Operations

A large portion of postal news right now relates to its retail operations. While these events could have isolated impact for our clients, commercial operations remain intact. For the most part, these news stories are often temporary local shutdowns due to employees that have tested positive for COVID-19, or where retail services have been suspended in an individual location. In almost all cases the delivery itself is not impacted and the USPS has contingency plans in place to monitor and adjust for these situations.

Postal Solutions, and in particular Postal Affairs, are working daily with the USPS to ensure our clients mail is delivered. And we're proactively monitoring any issues that might arise. We'll update this information as often as is necessary to be sure everyone has the correct facts.

In this period of incredible disruption, mis-information and rumors are likely to surface. Please notify the Postal Affairs team when you become aware of any changes, questions or something new related to how the USPS is reacting. We will investigate and update all. Send inquiries to the Postal Affairs Distribution list (Postal Affairs – Team)

Thank you,

Quad Postal Affairs Team

See how we can help.

     866.824.2869  info@quad.com Quad.com

© 2020 Quad/Graphics, Inc. All rights reserved. | 4.20 | Covid-19 Postal Affairs Update

