



April 1, 2021

The Honorable Senator Richard Roth,
Chair, Senate Business, Professions and Economic Development Committee
State Capitol, Room 2053
Sacramento, CA 95814
RE: SB 324 (Limón) Unreasonable restrictions on mail – OPPOSED

Dear Senator Roth:

On behalf of the Greater Coachella Valley Chamber of Commerce and the Desert Advertising Federation, we would like to respectfully submit our opposition to SB 324. SB 324 duplicates existing services, is unnecessary, and could cause irreparable damage to the California Economy. The U.S. Postal Service is one of the most critical infrastructure components of the U.S. economy and has been essential to the pandemic response. A healthy postal service provides 6-day per week delivery of letters and packages, safe delivery of life saving medications, affordable shipping for ecommerce packages, and supports the marketing mail that millions of small businesses rely on as a low-cost channel to reach local customers.

By restricting access to consumers through marketing mail, SB 324 jeopardizes the already fragile health of the US Postal Service, would result in significant job loss and would be harmful to growing the State economy.

SB 324 Proposals Would Cost California Jobs

More than 7.3 million jobs and \$1.6 trillion in sales revenue are attributable to the mailing industry in the United States. According to a 2019 industry study, there are 1,054,819 mailing industry jobs and \$229.6 billion in sales in the State of California – much of which would put at risk by SB 324. The impact this legislation would have on this segment of our economy would be dramatic and destabilizing.

SB 324 Would Significantly Affect Small Businesses in Every City of the State

SB 324 has the potential to devastate small businesses that rely on the service for low-cost direct marketing opportunities. For small mom and pop shops, local restaurants, florists, mechanics, landscapers and corner coffee shops, advertising mail is often an affordable and effective means of advertising.

Roughly 3.7 million small businesses in California employ about half of the state's private work force. These businesses need low-cost direct mail and shipping channels available to survive and thrive. The need for this cost-effective advertising channel is even more critical as these businesses struggle to survive and rebuild after the economic devastation of the pandemic.

Keep eCommerce and Remote Delivery of Prescription Medications Viable for all Californians

The postal service is the only door-to-door delivery service available for every urban, suburban and rural address in the state. The USPS delivers parcels every day at an affordable price and is often used by multiple private shippers to deliver their packages the final mile to a consumer's home. The postal service needs to remain a healthy and viable delivery service to keep ecommerce running smoothly and to allow for a safe method of receiving life-saving prescription medications. This legislation would dramatically impact one of the most critical revenue streams to the USPS and threaten the long-term viability of the institution as we know it today.

Creates Impractical Burden on Business and Extreme Financial Risks for Advertising By Mail

SB 324 would require businesses of all types to also become data management experts and subject them to potentially hundreds of thousands of even hundreds of millions of dollars in fines – substantially increasing the costs and risks of using a time tested, low cost and highly effective advertising channel.

Mail is Non-Intrusive and Consumers Already Have an Easier, More Cost-Effective Opt-Out Service Available

Physical mail does not intrude on individual privacy. Mail is delivered every day, six days a week and does not invade individual privacy, as recipients may choose when, where and how often they interact with it. Moreover, this bill is unnecessary. There are plenty of pre-existing, free options already available to Californians wishing to reduce their advertising mail.

For these reasons, we urge you to oppose this proposed legislation.

Sincerely,



Joshua R. Bonner, IOM
President and CEO
Greater Coachella Valley Chamber of Commerce
AAF - Desert Advertising Federation

Cc: Senator Melissa Melendez