



SPONSOR: Sen. Marshall
Rep. Miro; Reps. Brady,
Buckworth, Carey, Cloutier,
DiPinto, B. Ennis, Ewing, Fallon,
Houghton, Keeley, Lee, Maier,
Plant, Price, Reynolds, Scott,
Spence, Stone, Ulbrich, Valihura,
Welch, West

DELAWARE STATE SENATE

140th GENERAL ASSEMBLY

SENATE CONCURRENT RESOLUTION NO.

MEMORIALIZING THE DELAWARE CONGRESSIONAL DELEGATION TO SUPPORT LEGISLATION TO STRENGTHEN CERTAIN OVERSIGHT POWERS AND AUTHORITY OF THE POSTAL RATE COMMISSION, AND REQUESTING THE DELAWARE DIVISION OF REVENUE TO ANALYZE THE IMPACT OF LOST TAXES AND FEES AS A RESULT OF UNITED STATES POSTAL SERVICE SPECIAL STATUS.

1 WHEREAS, the United States Postal Service holds a monopoly on First Class mail and certain
2 bulk mail services, and generates annual multi-million dollar surpluses from its services; and

3 WHEREAS, the United States Postal Service has in recent years expanded its activities beyond
4 its core mission of universal mail service to include many competitive and non-postal related business
5 products and services, such as consumer goods, telephone calling cards and cellular towers, in direct
6 competition with Delaware private sector enterprises; and

7 WHEREAS, the United States Postal Service has used surplus revenues from universal mail
8 delivery (First Class postage) to expand into these competitive and non-postal activities, with no evidence
9 that these activities benefit the citizens of Delaware by improving regular mail service; and

10 WHEREAS, the United States Postal Service, an agency of the federal government, enjoys
11 monopoly advantages in the marketplace over private sector enterprises, with its ability to maintain lower
12 prices for competitive products (due to the multi-million dollar surpluses generated from First Class
13 postage), and its ability to set the rates of private sector competitors;

14 WHEREAS, the United States Postal Service, an agency of the federal government, enjoys many
15 marketplace advantages not available to private sector enterprises, including exemption from state and
16 local taxes, parking fees, local zoning ordinances, vehicle use taxes, vehicle licensing fees and other local
17 government regulations, which deprive Delaware state and local governments of needed revenue and fees
18 to offset the effect of the United States Postal Service operations on highways, law enforcement and air
19 quality; and

20 WHEREAS, the Postal Rate Commission does not have binding authority over the actions or
21 activities of the United States Postal Service related to setting postal rates, entering new business sectors,
22 or using surplus revenues from First class mail to compete with the private sector.

23 NOW THEREFORE:

24 BE IT RESOLVED by the Senate of the 140th Session of the General Assembly of the State of
25 Delaware, the House of Representatives thereof concurring therein, that we hereby call on the Members
26 of the Delaware Congressional delegation to introduce and pass legislation in the 106th Congress to
27 strengthen the oversight power and the authority of the Postal Rate Commission, to include:

28 Subpoena power to examine all records and financial data of the Postal Service in order
29 to make informed decisions on postal rate increases, pricing actions, and product
30 offerings;

31 Jurisdiction and final approval authority on all domestic and international postal rate
32 adjustments;

33 Authority over all non-postal business endeavors, including all products and services
34 outside the scope of universal mail service.

35 BE IT FURTHER RESOLVED, that the Delaware Division of Revenue be requested to
36 undertake an analysis to quantify the impact of the lost taxes and fees not being collected by state and
37 local agencies as a result of the United States Postal Service special status, and report the findings of this
38 analysis to the legislature.

39 BE IT FURTHER RESOLVED that, upon passage, suitable copies of this Resolution be provided
40 to United States Senator William V. Roth, Jr., United States Senator Joseph R. Biden, Jr., and United
41 States Congressman Michael N. Castle.

SYNOPSIS

This Resolution memorializes the Delaware Congressional delegation to support legislation to strengthen certain oversight powers and authority of the Postal Rate Commission, and requests the Delaware Division of Revenue to analyze the impact of lost taxes and fees to the State as a result of United States Postal Service special status.