# Nonprofit Mail Cost Brief

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## Key findings

- A mailer sending **1.1 million nonprofit-rate pieces a year** would see its postage cost rise from roughly **$224,000 to $262,000** over the Nonprofit Mail Stability Act's three-year phase-in — an increase of about **17 percent**.
- The increase is phased in three steps rather than applied all at once: the statute sets the rate at each anniversary of enactment, not at the Postal Regulatory Commission's discretion.
- Flats and periodicals carry a steeper increase than letter-size mail under the statute's schedule, a detail that matters most to associations mailing a membership magazine or journal.
- Mailers that shift even a modest share of volume to digital delivery before the phase-in completes can meaningfully offset the increase, based on the worked example in this brief.

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## Why this brief, and why this mailer

The Nonprofit Mail Stability Act, introduced in Congress in April 2025, would be the first change to the nonprofit standard mail rate schedule in years. NANA's policy team has followed the bill since introduction and testified on postal rate issues before the Postal Regulatory Commission, but a rate schedule in statutory text doesn't mean much to a member organization until it's translated into a dollar figure against their own mail volume.

This brief uses the Federation of Community Libraries as its worked example. The federation, led by Executive Director Lucinda Farrow-Mbatha, mails 1.1 million pieces a year to its network of 1,900 member libraries — newsletters, renewal notices, and program materials — making it one of the higher-volume nonprofit mailers in NANA's membership and a useful stand-in for any association with a large or growing mail program.

## What the statute actually changes

The Nonprofit Mail Stability Act sets the nonprofit standard mail rate directly in statute rather than leaving it to the Postal Regulatory Commission's ordinary rulemaking process, and phases the new rate in over three years from enactment rather than applying it in a single step. Simone Radcliffe, NANA's Director of Public Policy, said the phase-in structure was itself a product of the coalition's advocacy.

"Nobody in the coalition thought we'd stop a rate increase outright," Radcliffe said. "What we pushed for, and got into the bill, was time — enough runway for a mailer to plan for the new number instead of absorbing it in one budget cycle."

## The worked example

At the Federation of Community Libraries' current volume of 1.1 million pieces a year, today's nonprofit standard mail rate works out to roughly $224,000 in annual postage. Under the statute's full phase-in, that same volume would cost roughly $262,000 a year once the third and final rate step takes effect — an increase of about 17 percent, or roughly $37,600 a year, assuming mail volume and mix hold constant.

Spread across three annual steps rather than applied at once, the federation's postage cost rises by roughly $12,500 in year one, another $12,500 in year two, and the remainder in year three. Farrow-Mbatha said that pacing is the difference between a manageable budget-line adjustment and a crisis.

> A one-time 17 percent jump in a single line item would have forced a real conversation about which newsletter issues we could still afford to mail. Three years gives us time to plan for it instead of reacting to it. > — Lucinda Farrow-Mbatha, Executive Director, Federation of Community Libraries

## Phased versus one-time: why the difference matters

A mailer facing the full 17 percent increase in a single year has three practical options: raise dues or program fees to cover it, cut mail volume or frequency, or absorb the cost against reserves. A mailer facing the same increase over three annual steps of roughly 6 percent each has a fourth option that the compressed timeline doesn't allow: gradually shift a share of recipients to digital delivery, reducing mail volume enough to offset part of the per-piece increase before it fully phases in.

That gradual option is the specific reason NANA's coalition pushed for a multi-year phase-in rather than treating a flat rejection of any increase as the only acceptable outcome. A rate increase members can plan around costs less, in practice, than one they can only react to.

## Where the increase falls hardest

The statute's rate schedule applies a steeper increase to flats and periodicals than to letter-size mail, which matters most to associations that mail a membership magazine, journal, or oversized newsletter rather than a standard renewal notice or invoice. An association mailing primarily letter-size renewal notices will see an increase closer to the low end of the statute's range; one mailing a quarterly journal in an oversized envelope will see an increase closer to the high end.

Associations should check their own mail program against both classes before estimating their own exposure using this brief's worked example, since a mailer with a mixed program — letter-size renewal notices plus a periodical — will land somewhere between the two rates depending

on the split between them.

## What a mailer can do now

- Audit your own mail volume by class — letter-size versus flats and periodicals — since the statute's increase isn't uniform across mail types
- Model your own three-year cost using this brief's per-piece figures against your own volume, rather than assuming the sector-wide 17 percent applies evenly to your mail mix
- Offer members a digital-delivery opt-in now, ahead of the phase-in, so any volume reduction happens gradually rather than as a rushed cost-cutting measure once the third rate step takes effect
- Budget the increase in three annual steps rather than as a single line-item shock, matching the statute's own phase-in schedule

NANA's policy team will publish an updated version of this brief if the statute's final rate schedule changes materially from the version analyzed here, and continues to track the bill's progress through the advocacy issue page for nonprofit postal rate reform.