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ALLIANCE OF THIRD-CLASS NONPROFIT MAILERS

*File
3rd
Third
Class
Non-Profit
Mailers*



I. Impact of Reconciliation Act caps on Revenue Foregone Appropriation on selected third-class nonprofit mailers

2.9

October 1, 1981 rate increase from 3.8 to 5.1 cents per piece (34 percent) coming immediately after July 6, 1981 rate increase from 3.5 to 3.8 cents per piece. A 45.7 percent increase since July 5.

March of Dimes	\$1,300,000
American Lung Assn.	1,430,000
Salvation Army	520,000
American Cancer Soc.	405,000
National Catholic Devel. Conference members	9,100,000

II. Impact of Reconciliation Act caps on Revenue Foregone Appropriation plus Impact of Current House and Senate Appropriations Committee Projected Shortfall

October 1, 1981 rate increase from 3.8 to 5.9 cents per piece (55 percent) coming immediately after July 6, 1981 rate increase from 3.5 to 3.8 cents per piece. A 68.6 percent increase since July 5.

March of Dimes	\$2,100,000
American Lung Assn.	2,310,000
Salvation Army	840,000
American Cancer Soc.	735,000
National Catholic Devel. Conference members	14,700,000

Calculations are based on standard third-class nonprofit bulk rate, minimum per piece.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

Wed July 29
3 P.M.

July 6, 1981

TO: Annelise Anderson

FROM: Morton C. Blackwell *MCB*

I have been asked by the Salvation Army (see attached letter) and others to set up a meeting with you or a member of your staff dealing with the reconciliation bill. Others involved are:

Clyde E. Shorey, V.P. for Public Affairs
March of Dimes

Joel Thomas, General Counsel
National Wildlife Federation

David A. Connolly
U.S. Catholic Conference

William J. Olson
Smiley, Murphy, Olson and Gilman

Emer Miller
Salvation Army
Sherry Bernstein
Natl Health Council

Would you please give a time when you or other OMB people will be available. I will issue the invitations to the group involved.

Ask Morton if this is absolutely necessary
Annelise says there is nothing that
can be done now. They will make no changes
If Morton feels it is necessary she will spend
15 minutes talking with them

ARNOLD BROWN
General

ERNEST W. HOLZ
National Commander



THE SALVATION ARMY

(Founded in 1865)

WILLIAM BOOTH, FOUNDER

NATIONAL HEADQUARTERS
120-130 WEST FOURTEENTH STREET
NEW YORK, N.Y. 10011
Phone: (212) 620-4900
TELEX Salvation NYK 14-7266

NATIONAL PUBLIC AFFAIRS OFFICE
1025 Vermont Avenue, N.W.
Washington, D.C. 20005
Phone (202) 833-5577
TELEX Salvation Wsh 89-460

ERNEST A. MILLER
National Consultant
Washington, D.C.

June 16, 1981

Mr. Morton C. Blackwell
Special Assistant to the President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. Blackwell:

This is to request your help to arrange a meeting with Mrs. Annelise G. Anderson, Associate Director for Economics and Government, OMB, for the purpose of discussing the impact of postal rates for nonprofit third-class mailers on The Salvation Army and other voluntary organizations.

The Salvation Army has recently been working with an "Alliance of Third-Class Nonprofit Mailers" to communicate the needs of the group to the Congress and to other government entities. Mr. William Olson has worked clearly with us in that effort.

However, recent developments in the budgetary process threaten to seriously affect this nonprofit group. Sharp increases in postage rates will multiply the cost of raising money, -- the money needed by these organizations to provide services to the truly needy.

With final decisions on the reconciliation of the budget now pending, we wish to meet with Mrs. Anderson to discuss how the interests of these nonprofit organizations, and the millions of people they seek to serve, can best be met.

Please contact me at 833 - 5577. Your help will be much appreciated.

Very truly yours,

Ernest A. Miller
Lieut.-Colonel

EAM:pa

[223-9066-Olson
Bill]

[3/20]

Col. Ernest Miller

dir. The Salvation Army

Natl Public Affairs Office

-by letter - Suite 350

1025 Vermont Ave N.W.

Wash 20005

Clyde E. Shorey

V.P. for Public Affairs

March of Dimes Birth Defects Found
1707 H St N.W.

Wash, D.C. 20006

Wm J Olson

Smiley ~~Olson~~ Murphy, Olson
& Gilman

1819 H St N.W.

Suite 500

Wash — 20006

(14) Joel Thomas
Gen Counsel
Natl Wildlife Federation
1412 16th St N.W.
Wash 200036

David A Connolly
U.S. Catholic Conf.
1312 Mass Ave N.W.
Wash 20005-

Alliance of 3rd Class
Non Profit Makers

THE WHITE HOUSE
WASHINGTON

Salvation Army list

Mr. William Olson -
Attorney

1819 H. St. NW

223-9066 -

The Non-Profit,
3rd class Mailers
Alliance

Mr. E. Shorey
March of Dimes

plus Mr. Miller

They are asking for
Mrs. Anderson
but someone in
that office is
okay

He is Thurs. &
Fri. of this
week or
next week

THE WHITE HOUSE
WASHINGTON



March of Dimes

Clyde E. Shoney

338-8360

1707 H. St. NW

20006

Thurs or
next week

not

Tues or wed
Morn

ORGANIZATIONS QUALIFIED TO MAIL AT
THIRD-CLASS NONPROFIT RATES

The Postal Service's Domestic Mail Manual authorizes religious, educational, scientific, philanthropic, agricultural, labor, veterans' and fraternal organizations to mail at special third-class bulk rates if they are not organized for profit and their net income does not benefit any private stockholder or individual.¹

In 1978, the only comprehensive survey on third-class nonprofit mail was conducted by Decision/Making/Information. The results reflect the usage of this subclass of mail by both large and small nonprofit organizations. Although it is well known that large charitable organizations qualify for third-class nonprofit status, many are not aware that the bulk of third-class nonprofit permits are issued to small organizations whose financial stability depends substantially on funds raised through third-class nonprofit solicitations. In March 1981, the Postal Service estimated that approximately 244,000 individual organizations have been issued third-class nonprofit mail permits. Of the organizations responding to this survey, 98 percent depend on third-class mailers for fundraising.²

If the present trend in rising costs for third-class nonprofit mail continues, many of these small, local organizations will be hampered in their fund-raising and their financial stability will be jeopardized. By supporting legislation to keep the cost of third-class nonprofit mail down, we will continue to receive the charitable, educational, and other benefits which these organizations provide.

1 United States Postal Service, Domestic Mail Manual §623.2.

2 The 300 organizations sampled in this survey were judged to be representative of the entire field of third-class nonprofit mailers. Their interests included religions, educational, political, lobby/single issue, labor, and charitable areas. The Postal Service for fiscal year 1978 estimated the total third-class nonprofit mail volume at 6.960 billion pieces. The estimated volume of the numerous organizations participating in the survey was 504.9 million pieces, representing seven percent of total volume.

UNITED STATES POSTAL SERVICE

In the Omnibus Reconciliation Act of 1981, Congress has set the budget estimate and the maximum authorized level of funding for fiscal year 1982 at \$946,000,000. This is an increase of \$76,000,000 over the original budget estimate. The increase was made possible by a decrease of \$31,000,000 in other programs and a savings to the U.S. Treasury of \$46,000,000.

For fiscal year 1982, The Reconciliation Act eliminated the authorization for certain transitional expenses, reduced the authorized amount to be appropriated for public service reimbursement to \$250,000,000 and established a limit of \$696,000,000 to be appropriated for revenue foregone.

An appropriation of \$946,000,000 for fiscal year 1982 is the full amount of the budget level and authorized level established by the Reconciliation Act for the Postal Service.

	1982 Appropriations Authorized by the Postal Reorg. Act	1st Budget Resolution	Reconciliation Act Authorization
Non Funded Liabilities	\$ 69,240,000	\$ 69,240,000	\$0
Public Service Costs	\$644,000,000	\$300,000,000	\$250,000,000
Free and Reduced Rate Mail	<u>\$799,911,000</u>	<u>\$500,000,000</u>	<u>\$696,000,000</u>
Total	\$1,513,151,000	\$869,240,000	\$946,000,000

Page 10 - Line 5 through line 16 is amended to read as follows:

5

TITLE II

6

U. S. POSTAL SERVICE

7

PAYMENT TO THE POSTAL SERVICE FUND

8

For payment to the Postal Service Fund for public serv-

9

ice costs and for revenue foregone on free and reduced rate

10

mail, \$946,000,000.

11

This Title may be cited as the "Postal Service

12

Appropriation Act, 1982."