

The ANA, 4A's, and AAF oppose passage of SB 324 as it unreasonably restricts legitimate commercial mail. SB 324 represents an unnecessary attempt to pile more restrictions on advertisers that are working hard to maintain their businesses during the COVID-19 pandemic and in response to California's already shifting consumer rights landscape. Additionally, the bill presents a potentially unconstitutional infringement on Congress's authority to regulate interstate mail that could doom the U.S. Postal Service's future.

- CALIFORNIA ALREADY PROVIDES ROBUST CONSUMER PROTECTIONS. Just one year ago, California's CCPA the broadest consumer privacy law in the United States became operative, and then was once again amended in last year's election with the CPRA. Businesses are still recovering from the whiplash of changing legislative and regulatory requirements in the state. California should take time to analyze the effect of those laws before determining if a do-not-mail choice would in fact provide any additional benefit to Californians.
- EXISTING INDUSTRY TOOLS ALREADY ENABLE CONSUMERS TO STOP DIRECT MAIL. Tools already exist in the marketplace to allow consumers to control what commercial mail they receive. For decades the Direct Marketing Association, now part of the Association of National Advertisers, has provided DMAChoice to consumers. That tool allows consumers to control what direct mail they receive. Instead of duplicating existing tools in the marketplace, California should focus on addressing more pressing consumer concerns.
- SMALL BUSINESSES RELY ON DIRECT MAIL TO REACH CONSUMERS NOW MORE THAN EVER. Even before the global pandemic, direct mail was an important avenue for small and start-up businesses to reach new customers. COVID-19 has had a crushing effect on the small business community, as many have been forced to significantly downsize operations or even shutter their doors due to stay-at-home orders and severely limited opportunities for interacting with consumers during these difficult times. By imposing unneeded and onerous requirements on direct mail, SB 324 could inadvertently pull a critical means of reaching consumers out from under small and start-up businesses, which could serve as the final death knell to many struggling small enterprises in the state. California should support small business by not creating new legal obstacles to doing business in the state.
- STATE DIRECT MAIL RESTRICTIONS COULD BE UNCONSTITUTIONAL AND HARM THE U.S. POSTAL SERVICE. Many states have proposed bills similar to SB 324, and all of them have raised the same constitutional concerns. The U.S. Postal Service is the largest civilian agency of the federal government, and—by Congressional design—it relies heavily on commercial mail to fund its ability to deliver mail to every home in the country. Because Congress has the exclusive ability to regulate mail and the Postal Service itself, SB 324 may infringe on Congress's powers, rendering the bill unconstitutional. Eliminating unsolicited commercial mail would have severe financial consequences for the Postal Service, harming all residents of CA.