



rates, and entering competitive markets. The NPMHU was able to provide direct input into certain legislative language important to Mail Handlers. Throughout the legislative process, the NPMHU remained an active participant because, notwithstanding the Union's reservations about certain aspects of postal reform, to do otherwise would have been to risk the wages and benefits, and perhaps even the jobs, enjoyed by our members.

After the passage of postal reform legislation in 2006, of course, America experienced the Great Recession of 2008. It therefore has become clear that one of the key features of that law, the required pre-funding of retiree health benefits, has become outdated and unjustified. In times of financial distress, it simply makes no sense for Congress to require the Postal Service—and only the Postal Service—to prefund one hundred percent of its future health care costs. As of today, the Retiree Health Benefits Fund (RHBF) already contains \$45 billion, more than enough to pay for all of the expected retiree health care costs for decades into the future. The currently effective law that requires ongoing annual contributions of \$5.5 billion needs to be repealed. Congress created this problem, and Congress needs to fix it.

Just this past week, the Postal Service for the first time in modern history has now defaulted on its financial obligations, mostly because the full House of Representatives has refused to debate amendments to the PAEA that have been adopted by the full Senate, while also refusing to adopt another extension of the RHBF payments. This is an outrage, and a complete dereliction of duty—indeed, the uncertainty surrounding the financial future of the Postal Service is by itself having an adverse impact on mail volume, as mailers consider alternatives and reduce their long-term plans for using the U.S. mail.

It therefore is essential that the attention of the NPMHU's legislative operations remain focused on postal reform. The full Senate adopted S. 1789 in April 2012, and although it is not perfect legislation (among other potential problems, it contains wholly unjustified cuts in workers compensation benefits), it would reduce funding requirements for the RHBF by spreading out the payments over 40 years and by requiring that the fund only contain 80% of the long-term unfunded liability. The Republican leadership in the House, however, refuses to consider S. 1789. Instead, Representatives Darryl Issa (R-CA) and Dennis

Ross (R-FL), who chair the relevant committee and subcommittee, continue to pursue their own legislation—H.R. 2309—which contains a host of draconian proposals and will never be supported by the NPMHU or the rest of the postal community. It is not surprising that the Issa/Ross efforts have so far garnered no additional co-sponsors.

While NPMHU representatives continue to work behind the scenes on these issues, National President Hegarty and other NPMHU officers continue to testify on Capitol Hill or appear before the Postal Regulatory Commission. Their testimony has focused on general issues of PAEA implementation, on the NPMHU's opposition to the contracting out of postal career jobs to private companies, on the possible closing or consolidation of postal facilities, on the economics of universal mail service after the PAEA, and on continuation of the universal service obligation.

The NPMHU must remain vigilant, and must continue to expend a tremendous amount of time and effort on legislative relations over the coming four years. That is why the NPMHU continues to urge each and every Mail Handler, including but certainly not limited to all officers and representatives, to stay informed and to stay involved. This means each member must read *The Mail Handler* magazine and the monthly bulletins, and each member must be sure to log on to the NPMHU website and become a legislative activist. If any member reading this report has not already done so, please join—and encourage your officers, stewards, members, friends, and family members to join—the NPMHU e-activist network. Your future, and the future of all Mail Handlers, very well may depend on your active involvement.

Nor are these efforts limited to postal reform, as there are a host of other crucial issues of direct interest to all Mail Handlers pending in Congress.

Other Legislative Proposals: Although postal reform has occupied a large portion of the NPMHU legislative agenda, there are other important issues also pending. In prior years, the NPMHU has organized legislative efforts to oppose the subcontracting of Mail Handler work, and more recently legislative attention has turned to placing limitations on the closing and consolidation of postal facilities. On these and other issues, the NPMHU and its legislative staff work behind the scenes to garner support for positive proposals or to amend and/or defeat unwanted legislation.

Other legislative proposals currently being monitored by the National Union include the following:

- legislation that would repeal or reduce the Windfall Elimination Provision (WEP), which currently reduces the Social Security benefit of postal or federal employees who spend most of their working years in Civil Service Retirement System jobs not covered by Social Security. If the WEP is applicable, then the amount of a retiree's Social Security benefit is reduced when the retiree becomes eligible for that benefit (after age 62 or thereafter)
- legislation that would eliminate or soften the impact of the Government Pension Offset, which as currently in effect could eliminate spousal or survivor benefits for thousands of postal or federal employees. Under current law, CSRS employees who receive a pension annuity after December 31, 1982 will have an offset (by two-thirds of the amount of their government pension) of any Social Security benefits that they otherwise would be eligible to receive as a dependent of their spouse or widow or widower
- legislation that would allow postal and federal retirees to pay their health care premiums on an after-tax basis, thereby reducing the effective cost of such contributions
- various proposed improvements in the TSP or Thrift Savings Plan
- efforts, mostly at the State level, to require "Do Not Mail" lists similar to the "Do Not Call" list generated by Congress several years ago. Some legislators do not appreciate the important economic role played by the Postal Service and have not been able to distinguish between the value of mail and unwanted telephone solicitations.
- legislation that would allow vote-by-mail in all fifty States and the Territories, thereby increasing voter turnout and increasing mail volume.

On a positive note, during the past few yearsthere, the NPMHU has successfully worked with *like-minded* organizations to obtain retirement credit for unused sick leave under FERS, the Federal Employees Retirement System. The NPMHU had been proposing a financial incentive for unused sick leave under the FERS program in national negotiations since 1994, and finally these provisions have been enacted into law.