

Four Postal Unions Express ‘Strong Opposition’ to Senate Bill

The four postal unions sent a joint letter to members of the Homeland Security and Governmental Affairs Committee on Jan. 27 expressing “strong opposition” to an amended version of Senate bill 1486, and urging senators to oppose the bill when it is considered by the committee on Jan. 29. The substitute bill was issued on Jan. 23 by Sen. Tom Carper (D-DE) and Sen. Tom Coburn (R-OK), the authors of the original bill.

The substitute bill retains many of the negative features of the original bill and adds new provisions “that are totally unfair and unnecessary,” the letter says. One of the new provisions requires the USPS to pre-fund \$17 billion in future workers’ compensation expenses.

The letter was signed by American Postal Workers Union President Mark Dimondstein, National Association of Letter Carriers President Fredric Rolando, National Postal Mail Handlers Union President John Hegarty, and National Rural Letter Carriers Association President Jeannette Dwyer.

Although they noted that the Postal Service posted an operating profit of \$623 million in 2013 and is projecting a \$1.1 billion operating profit this year, the union presidents acknowledged that “the Postal Service needs serious reform.”

Reform is needed to deal with both negative and positive technological change, they said, and to overcome the crushing burden to pre-fund future retiree health benefits. The pre-funding mandate, which was imposed by the 2006 Postal Accountability and Enhancement Act, was directly responsible for more than 80 percent of deficits reported between 2007 and 2013, the letter notes.

Following the introduction of the original version of S. 1486, the letter points out, the postal unions “offered the Committee an alternative package of reforms that would strengthen the Postal Service without damaging and self-defeating service cuts, and without unfair measures directed at postal employees who sacrificed greatly to help the Postal Service survive the Great Recession (absorbing nearly 200,000 job cuts and painful pay and benefit concessions in the last round of collective bargaining).”

“We hoped that the newest version of S. 1486 would embrace these reforms, restoring the Postal Service to profitability and viability for years and years to come,” they wrote.

Although the substitute bill adopted many of the reforms the unions proposed, including changes to the Federal Employees Health Benefits Plan (FEHBP) to resolve the pre-funding mandate, “it retains the service cuts and employee hits contained in the original bill,” the union presidents said.

“The substitute merely delays the proposed service and job cuts, but does not eliminate them. Indeed, delaying service standard reductions two years will not prevent the damage they will do to the quality of our service, which will simply drive business away; and setting an arbitrary mail volume trigger of 140 billion pieces for the elimination of Saturday delivery will not make degrading our last mile delivery network a more sensible business strategy for this most important public service,” the letter says.

“At a time when the demand for date-specific marketing and for same-day and next-day delivery service is growing, and at a time when we are introducing Sunday service, legislated service cuts that would eliminate Saturday delivery, slow delivery times and reduce the demand for mail make no sense,” the union presidents wrote.

The substitute bill also retains the unfair government-wide FECA reforms that do not belong in a postal bill, they noted.

“Finally, it adds new burdens such as the mandate to pre-fund future workers compensation benefits. No company or agency in America faces such an unreasonable burden. Even with the proposed \$1 billion profit trigger for FECA pre-funding, the Postal Service will once again face a discriminatory funding burden, they wrote.

“In view of the foregoing, we urge you to vote against the substitute to S. 1486 as drafted at the mark-up on Wednesday,” they wrote. “We regret that a more-limited, less-damaging bill is not being considered. But we pledge to work with all of you for postal reform that will strengthen the national treasure that is the U.S. Postal Service.”