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There's No Need to End Saturday Mail Delivery

By: Sen. Bernie Sanders (I-Vt.) Wednesday, March 5, 2014

The U.S. Postal Service is one of our most popular and important government agencies. It provides universal service six days a week to every corner of America, no matter how small or remote. It supports millions of jobs in virtually every other sector of our economy. It provides decent-paying union jobs to some 500,000 Americans, and it is the largest employer of veterans.

Whether you are a low-income elderly woman living at the end of a dirt road in Vermont or a wealthy CEO living on Park Avenue, you get your mail six days a week. And you pay for this service at a cost far less than anywhere else in the industrialized world.

Yet the Postal Service is under constant and vicious attack. Why? The answer is simple. There are very powerful and wealthy special interests who want to privatize or dismember virtually every function that government now performs, whether it is Social Security, Medicare, public education or the Postal Service. They see an opportunity for Wall Street and corporate America to make billions in profits out of these services, and couldn't care less how privatization or a degradation of services affects ordinary Americans.

For years, antigovernment forces have been telling us that there is a financial crisis at the Postal Service and that it is going broke. That is not true. The crisis is manufactured.

At the insistence of the Bush administration, Congress in 2006 passed legislation that required the Postal Service to prefund, over a 10-year period, 75 years of future retiree health benefits. This onerous and unprecedented burden—\$5.5 billion a year—is responsible for all of the financial losses posted by the Postal Service since October 2012.

Without prefunding, the Postal Service would have made a \$623 million profit last year. Excluding the prefunding mandate, the Postal Service estimates it will make more than \$1 billion in profits this year. This is not surprising, since the Postal Service made a combined profit of \$9 billion from 2003-06, before the prefunding mandate took effect.

The mandate allows the antigovernment crowd to proclaim that the Postal Service "is going bankrupt." Their solution is to slash hundreds of thousands of jobs, close thousands of post offices, eliminate hundreds of mail processing plants, end Saturday mail, and substantially slow down mail delivery.

In the House, Rep. Darrell Issa (R., Calif.) passed a bill through his committee that would do all of these things. The bill would drive more customers to seek other options and will lead to a death spiral—lower-quality service, fewer customers, more cuts, less revenue and eventually the destruction of the Postal Service.

In the Senate, Sens. Tom Carper (D., Del.) and Tom Coburn (R., Okla.) also passed a postal reform bill through the Homeland Security and Government Affairs Committee. While not as destructive as the House proposal, the Carper-Coburn bill could lead to the loss of about 100,000 jobs, allow the Postal Service to eliminate six-day mail delivery, substantially slow down the delivery of mail, and lead to the loss of more mail processing plants and post offices within the next few years.

There are much better ideas that would strengthen, not destroy the Postal Service, and they are in the Postal Service Protection Act that has been introduced by Rep. Peter DeFazio (D., Ore.) in the House and by me in the Senate. The House bill has 174 cosponsors. The Senate bill has 27 cosponsors.

First, prefunding must end. The future retiree health fund now has some \$50 billion in it. That is enough. This step alone will restore the Postal Service to profitability.

Second, the Postal Service should have the flexibility to provide new consumer products and services—a flexibility that was banned by Congress in 2006. It is now against the law for workers in post offices to notarize or make copies of documents; to cash checks; to deliver wine or beer; or to engage in e-commerce activities (like scanning physical mail into a PDF and sending it through e-mail, selling non-postal products on the Internet or offering a non-commercial version of Gmail).

A recent report from the Postal Service Inspector General suggests that almost \$9 billion a year could be generated by providing financial services. At a time when more than 80 million lower-income Americans have no bank accounts or are forced to rely on rip-off check-cashing storefronts and payday lenders, these kinds of financial services would be of huge social benefit.

It is time for Congress to save the Postal Service, not dismantle it.

Mr. Sanders is an independent senator from Vermont.