



## The NPMHU Legislative Agenda for the 118<sup>th</sup> Congress

### Background

After more than a decade of hard work, the National Postal Mail Handlers Union helped to usher in the Postal Service Reform Act (PSRA) of 2022 (P.L. 117-108). Following the financial ramifications implemented by the 2006 Postal Accountability and Enhancement Act (P.L. 108-435), the PSRA is able to right the Postal Service's fiscal ship. The law repeal the mandate to prefund retiree healthcare costs; integrate future retirees into Medicare to reduce the USPS liability on retiree healthcare costs; requires reports from USPS to Congress and the Postal Regulatory Commission on costs and performance standards; creates a public dashboard to inform customers on delays; codifies 6-day delivery to businesses and residences; and, allows for agreements between USPS and state, local and tribal governments to provide property and services. The law received strong bipartisan support in both the House and the Senate, passing 342-92 and 79-19 a month apart. The NPMHU, along with the other postal unions and stakeholders, worked on this legislation for years in order to obtain consensus.

Going into the 118<sup>th</sup> Congress, NPMHU's legislative agenda will focus on ensuring the Postal Service and the Office of Personnel Management will fully implement PSRA. Additionally, the Union will look to continue to improve the Postal Service's finances, growing postal revenue, protecting service standards for customers, defending earned retirement and healthcare benefits, promoting workers' rights, and strengthening American elections.

### Improving the United States Postal Service

While the PSRA gained wide bipartisan support and passed in both the House and Senate, it only provides the first steps in improving the Postal Service.

The NPMHU will continue to work with members of the House and Senate to draft bipartisan legislation that further enforces sustainability and protects the workforce. These measures should include:

- Utilize postal-only assumptions for calculating pension liabilities.
  - The USPS Office of Inspector General reported in 2013 that this recalculation would reduce liabilities with the Civil Service Retirement System (CSRS) by \$1.3 billion while the Federal Employees Retirement System (FERS) would see a reduction of \$9.5 billion in liabilities.
- Provide for certain index fund investments for the Retiree Health Benefits Fund, rather than restricting the Fund to low-yielding Treasury bonds.
- Nonpostal services to grow revenue.
  - The USPS Shipping Equity Act (H.R. 3287/S. 1663) introduced in the 117<sup>th</sup> Congress called to allow the shipment of alcoholic beverages directly between licensed producer and retailers to the consumer. The USPS estimated this would generate over \$50 million annually.
  - Currently, the USPS has the authority to expand nonbanking financial services, providing ATMs, check cashing, bill pay, and expanded wire transfers and money orders. In a 2015

report from the USPS Office of the Inspector General, after a 5-year ramp-up, these expansions could generate \$1 billion annually.

### **Strengthening Service Standards**

Within the first months of his appointment, Postmaster General Louis DeJoy developed a ten-year plan, Delivering for America, in an attempt to set a path of financial stability and modernization. Within the plan, the delivery window is expanded from 2-3 days to 2-5 days, relying on surface transportation over air, as well as restructuring the overall network. The information the NPMHU has received from the Postal Service on this restructuring has been high on concept, but extremely low on details. The plans are fluid and constantly changing. It is NPMHU's concern that these changes do nothing but undermine the work of dedicated employees, negatively impact services, and drive away customers. The NPMHU asks lawmakers to work with us to fight against closures, consolidations, and subcontracting brought on by this plan.

### **Fundamentals of the Postal Service**

Members of Congress should continue to protect the basic fundamentals of the Postal Service, ensuring that every American household and business, in urban, suburban, and rural areas, has access to the universal service provided by the USPS. The NPMHU endorses resolutions introduced by Members of the House and Senate that express the need to ensure that the Postal Service remains a public entity that can ensure delivery.

- Expressing the sense that Congress should take all appropriate measures to ensure that the Postal Service remains an independent establishment of the Federal Government and is not subject to privatization.
- Expressing the sense that the Postal Service should take all appropriate measures to ensure the continuation of door delivery for all business and residential customers.

### **Protecting Earned Retirement and Healthcare Benefits**

In January 2023, Treasury Secretary Janet Yellen stated the US reached its debt ceiling and extraordinary measures to meet debt obligations will expire in June 2023. In 2011, under similar circumstances, the House and Senate passed legislation impacting the benefits of future postal and federal employees. The NPMHU is concerned that the House and Senate will once again target postal employees as a means to reduce federal spending, and will go after the following:

- Increasing all FERS employees' retirement contributions to 4.4 percent of salary;
- Utilizing a defined contribution retirement plan instead of the current defined benefit;
- Moving from a high-3 to a high-5 for retirement annuity calculations;
- Eliminating FERS Cost of Living Adjustment (COLA) and reducing CSRS COLAs by 0.5%;
- Eliminating the FERS retirement supplement plan for those who retire before the age of 62; and,
- Reducing the G-Fund interest rates for those under the Thrift Savings Plan.

In addition to protecting these benefits, the NPMHU will work with lawmakers to strengthen retirement benefits. These measures include:

- The elimination or curtailing of the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP).
  - In the 117<sup>th</sup> Congress, the Social Security Fairness Act (H.R. 82/S. 1302), called to repeal both GPO and WEP.
  - In the 117<sup>th</sup> congress, the Equal Treatment of Public Servants Act (H.R. 5834), provided for a \$100 rebate to those first eligible for WEP benefits before 2022; those impacted by WEP who are eligible for benefits between 2022-2060 would be subject either to a new formula or the current WEP formula, whichever is more beneficial; and those eligible for benefits in 2061 would be subject to a new formula.
  - In the 117<sup>th</sup>, the Public Servants Protection and Fairness Act (H.R. 2337), recalculated Social Security benefits for public workers to ensure they get are not negatively impacted by the Windfall Elimination Provision
- Providing temporary employees hired after January 1989 with the opportunity to make additional contributions to their retirement plans, allowing eligible employees to retire on time with full retirement benefits.
  - The Federal Retirement Fairness Act (H.R. 4268) in the 117<sup>th</sup> Congress addressed this issue.
- Create parity between CSRS and FERS retirees by providing the same COLA for both sets of retirees.
  - Currently, CSRS retirees receive a COLA that is in line with the change in the consumer price index for workers, however, FERS retirees are subject to a different calculation that is often lower than their CSRS counterparts.
  - The Equal COLA Act (H.R. 866) would ensure all postal retirees would receive the same COLA every year.

## **Promoting Workers' Rights**

Over the past few years, there has been continued support from the American public on workers' rights to unionize, seen in a Gallup poll where 71 percent of Americans are in favor of union. Reflecting this support, the House of Representatives already introduced the bipartisan Richard L. Trumka Protecting the Right to Organize Act (H.R. 20), and there is an identical bill in the Senate (S. 567). These bills call to strengthen current federal laws by allowing private-sector workers to organize and join a union and bargain for better wages and benefits. Additionally, in the 117<sup>th</sup> Congress, the House and Senate introduced the Public Service Freedom to Negotiate Act (H.R. 5727), requiring public employers to recognize employees' rights to join a union and collectively bargain over wages, hours, working conditions, and allowing workers to access arbitration and mediation as a means of dispute resolution. The NPMHU will continue to advocate on these issues going into the 118<sup>th</sup>.

Despite the growth of production over the past years, American wages continue to fall behind and the federal minimum wage remains outpaced by inflation. Many states and localities have already passed laws increasing minimum wage to \$15.000 an hour by 2025 and the National Employment Law Project estimates that 40 percent of the American workforce will be covered by a \$15.00 an hour pay base by 2026. In the 117<sup>th</sup> Congress, the Raise the Wage Act (H.R. 603/S. 53) called to increase federal minimum wage to \$15.00 an hour by 2025, with gradual increases over a five-year period. The NPMHU will work to ensure this legislation is reintroduced in the 118<sup>th</sup> Congress.

The NPMHU will also work with our brothers and sisters in LiUNA to protect prevailing wage laws, especially those under the Service Contract Act.

### **Strengthen American Elections**

Following the success of vote by mail initiatives in the 2020 elections, the 2022 midterm elections saw continued success. In the November 2022 general election, the Postal Service delivered over 54.4 million ballots between voters and local election boards. The Postal Service delivered 98.96% of ballots within 3 days and 99.82% of ballots within 5 days. In order for this success to occur, constant communication between USPS, postal unions and management associations, and state and local election boards was necessary. These efforts prove that vote by mail is a secure and reliable way for eligible voters to participate in the democratic process. The NPMHU will promote legislation, primarily at the state and local level, to encourage democratic participation through vote by mail initiatives, and will support such efforts at the federal level as well.

The NPMHU will take all reasonable steps to ensure that mail handlers and their families are actively involved in upcoming elections, through voter registration and education efforts to increase turn-out. It is critical that all Mail Handlers and their families not only are registered to vote, but that they go to the polls to have their voices heard. We must continue to work to ensure that pro-union, pro-worker candidates are elected to represent our interests.