

## CONGRESS STARTS DOWN THE PATH TO POSTAL REFORM

Katie Maddocks, Legislative and Political Director



**T**he year 2021 certainly got off to a chaotic start. Not even a week into the new year, the nation watched as the Capitol Building was attacked by insurrectionists, trying to overturn the results of the November election through terrorist acts. The following week, the House passed articles of impeachment for a second time against President Trump due to his involvement and incitement of the assault against the Capitol. And a week after still, Joe Biden and Kamala Harris were sworn into their respective offices of President and Vice President. During the inauguration ceremony, National Youth Poet Laureate Amanda Gorman reflected upon the preciousness of democracy and the duty we have to protect and strengthen it, stating, “It’s because being American is more than a pride we inherit, it’s the past we step into and how we repair it.”

While Ms. Gorman was speaking more to the need for unity of the nation, this can also be applied to the future of the United States Postal Service. As we move into the 117<sup>th</sup> Congress and the NPMHU and Members of Congress work towards postal reform, we must remain cognizant of the financial challenges before us, the steps we can take to repair them, and the duty we have to our fellow Americans to bind the nation as called upon us directly in the Constitution. This might seem like a daunting task, but it’s one the Union has been working on for more than a decade, and will continue to work on until the task is completed.

This year’s legislative conversations on postal reform have already begun, and the NPMHU is calling for legislation to include: the repeal of the mandate to prefund retiree healthcare benefits; prospective Medicare integration to ease the financial burden of the Postal Service Employees Health Benefit Plan; utilization of postal-only assumptions for calculating pension liabilities; providing for certain index fund investments for the Retiree Health Benefits Fund to improve finances; exploring nonpostal sources of revenue growth; and following the recommendations of the Postal Regulatory Commission to implement fifty percent of the exigency surcharge rate that expired in 2016.

Members of the House Oversight & Reform Committee touched on the basics of postal reform during a committee hearing on February 24. Postmaster General Louis DeJoy,

USPS Board of Governors Chairman Ron Bloom, American Postal Workers Union President Mark Dimondstein, USPS Inspector General Tammy Whitcomb, Joel Quadracci on behalf of the Coalition for a 21<sup>st</sup> Century Postal Service, and Resident Scholar of the American Enterprise Institute Kevin Kosar testified about their opinions on what would right the Postal Service’s fiscal ship.

Hearing witnesses echoed each other, calling for a repeal of the pre-funding mandate as it is the primary source of the Postal Service’s debt. Additionally, there was agreement that prospective Medicare integration for future postal retirees would also be a considerable source of savings. Just as the private sector uses Medicare integration and does not fully fund its retiree healthcare costs, commonly utilized accounting practices can be mirrored within the Postal Service as a means to address fiscal shortfalls.

Although those testifying agreed on these issues of reform, PMG DeJoy and Chairman Bloom alluded to an upcoming USPS ten-year plan, which is already rumored to have severe cuts to services, further delaying mail and possibly shuttering more postal facilities. Details of the plan have not yet been revealed, but PMG DeJoy did refer to moving from 2-3 day delivery for first class mail, to a 3-5 day window in some areas. Responding to this delay, Representative Jamie Raskin (D-MD-08) asked, “How does changing the standards to lengthen delivery times to double or triple delivery times successfully address service problems?” PMG DeJoy responded that the current network is responding at about a 50% rate and air delivery has grown unreliable and inconsistent, accounting for these delays. To this response, Rep. Raskin commented, “It sounds like your solution to this problem is to just surrender.” It wasn’t just Democrats who expressed concern over delays of service. After sharing his constituents’ experiences and his own concerns with late delivery, Representative Bob Gibbs (R-OH-07) stated, “Personally, I’ve lost all confidence in the postal system. Mr. DeJoy, you have a huge challenge ahead of you.”

In addition to these talks on draft postal reform legislation and the USPS ten-year plan, certain Representatives in the House and some Senators have introduced standalone legislation in February that also addressed postal issues. The



Terrorists attempted to overthrow the November 2020 presidential election, which Mail Handlers and the entirety of the postal community worked to ensure voters' voice were heard.

NPMHU saw the reintroduction of the USPS Fairness Act (H.R. 695/S. 145), which passed in the House a year ago, as well as resolutions that support restoring 2012 levels of service standards (H.Res. 119), maintaining door delivery (H.Res. 109), ensuring 6-day delivery (H.Res. 114), and protecting the Postal Service from privatization (H.Res. 47). These fundamentals are the first step in recognizing what is needed for the Postal Service to effectively and efficiently delivery to every American household and business in urban, rural, and suburban communities. As mail delays continue well past peak season, with concerns that they will only get worse, these bills and resolutions provide confidence in the USPS and fight against revenue losses caused by customers being pushed away.

The NPMHU has endorsed these pieces of legislation, and they are separately included in the Union's Legislative Agenda for the 117<sup>th</sup> Congress, which can be found on the following pages. The agenda was agreed to by the Committee on the Future, and also discusses the needs of the NPMHU and the Postal Service as a whole, including what should be included in postal reform legislation and how Congress can protect the postal workforce as the coronavirus pandemic continues.

Because there are some postal issues that only can be handled legislatively, the NPMHU and the rest of the postal workforce also need to rely on effective leadership within the USPS Board of Governors to promote effective policy.

On the same day as the House hearing, President Biden announced his intent to nominate three new members to the Board, seeking to fill three of the four vacant seats with Ron Stroman, Amber McReynolds, and Anton Hajjar. Stroman is recently retired from the Postal Service, serving as Deputy Postmaster General under Megan Brennan; McReynolds is the CEO of the Vote at Home Initiative; and Hajjar previously served as general counsel to the APWU. The most USPS experience that other members bring to the Board of Governors is Chairman Ron Bloom's time as an advisor to the National Association of Letter Carriers. Other members of the Board were appointed due to their financial backgrounds, their political connections, and their experience in logistics companies. Undoubtedly, Stroman, McReynolds, and Hajjar will bring a unique understanding of the Postal Service, the needs of the workforce, and the demands of customers. The NPMHU looks forward to working with them after their confirmation by the Senate in the near future.

The NPMHU will continue to push its legislative agenda through both professional lobbying and with grassroots efforts from the Union membership and Local leadership. For updates on these issues, please look to the NPMHU legislative website, [www.npmhu.org/legislative](http://www.npmhu.org/legislative).

As always, if you have any questions about these legislative issues, please feel free to reach out to the NPMHU's Political and Legislative Director, Katie Maddocks..