



# MAIL HANDLER UPDATE

**NATIONAL POSTAL MAIL HANDLERS UNION**

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John F. Hegarty  
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## NPMHU CONVERGES ON CAPITOL HILL BI-ANNUAL CONFERENCE HELD FOR 113TH CONGRESS



Mark A. Gardner  
Secretary-Treasurer

### *Legislative Activists Support Meaningful Postal Reform*

**M**ore than one hundred mail handlers from across the country gathered in Washington, DC on May 8 and 9 to participate in the NPMHU's Legislative Conference for the 113th Congress. The first day of the two-day Legislative Conference was filled with important programs and speakers, and on the second day mail handlers went up to Capitol Hill to meet with their representatives on important postal and employee benefit issues currently on the agenda of Congress.

The first day included a full training program, with a host of speakers highlighting both the substance of USPS issues now facing Congress and the politics underlying these issues. National President John Hegarty and National Secretary-Treasurer Mark Gardner opened the program by highlighting the importance of the NPMHU's representation on Capitol Hill, noting in particular that year-round legislative and political involvement must be part of the commitment made by all NPMHU activists. The program also included appearances by a host of experts on postal issues that are currently being debated in the nation's capital. Among the featured speakers were Congressman Gerald E. Connolly (D-VA), a key member of the House Oversight & Government Reform Committee; Congressman Michael Grimm (R-NY), a crucial supporter of mail handlers and other postal employees living and working on Staten Island, NY; and Senator Bernie Sanders (I-VT), the author and sponsor of one of the postal reform bills (S. 316) fully supported by the NPMHU. Important presentations also were made by Terry O'Sullivan, General President of LIUNA; by Richard Trumka, President of the AFL-CIO; by Bevin Power-Albertani and Dave Hickey, political specialists with LIUNA; and by several key representatives from other unions with whom the NPMHU coordinates its legislative efforts, including Paul Swartz from the NRLCA and Myke Reid from the APWU. The conference was coordinated by the NPMHU's Legislative & Political Director, Bob Losi.

The second day of the Conference allowed mail handlers to meet with Members of Congress and their professional staff. During those meetings, mail handlers expressed

their support for the Postal Service Protection Act of 2013, S. 316 and H.R. 630. These identical bills—introduced by Senator Sanders and Congressman Peter DeFazio (D-OR)—already have 25 co-sponsors in the Senate, and 152 bi-partisan co-sponsors in the House. If adopted, these bills would:

- ★ end the pre-funding mandate of the Retiree Health Benefit Fund, which now that requires the USPS to make 75 years of retiree healthcare benefit payments over a 10-year period, a burden no other government agency or private company is forced to bear.
- ★ allow the Postal Service to recover over-payments it previously has made to the Civil Service Retirement System (CSRS) and the Federal Employee Retirement System (FERS).
- ★ re-establish overnight delivery standards for first-class mail, which would ensure timely delivery schedules and help keep mail processing facilities open.
- ★ protect six-day delivery.
- ★ permit the USPS to develop innovative products and services that would generate new sources of revenue, such as issuing licenses, ending the prohibition on beer and wine shipments, and providing notary services.
- ★ ensure security for rural post offices by giving the Postal Regulatory Commission (PRC) binding authority to prevent post offices from being closed based on the effect such closures would have
- ★ establish the position of the Chief Innovation Officer and a Postal Innovation Advisory Commission, to develop a comprehensive strategy for maximizing USPS revenue through innovative postal and non-postal products and services.

For further information, please become a legislative activist through the NPMHU website at [www.npmhu.org](http://www.npmhu.org).



Representative Gerry Connolly (D-VA) discusses the need for responsible postal reform legislation.



NPMHU Legislative and Political Director Bob Losi and National President John Hegarty join in the thunderous applause for Senator Bernie Sanders (I-VT).

## NPMHU REJECTS USPS REQUEST TO REOPEN NEGOTIATIONS

**I**n April 2013, Postmaster General Pat Donahoe and the Board of Governors asked the NPMHU, as well as the other postal unions and management associations, to reopen negotiations in order to identify additional cost savings for the Postal Service. Although the NPMHU understands that USPS officials are frustrated with the lack of action by Congress, which is blocking the Postal Service from dealing with its continuing financial problems, there is no chance that the NPMHU will reopen its 2011 National Agreement.

National President John Hegarty responded directly to PMG Donahoe, writing the following:

The NPMHU must politely decline your request. As you know, the NPMHU and USPS just concluded a lengthy round of collective bargaining, ending in binding interest arbitration. The arbitrator (as always) took into account the financial condition of the Postal Service, and awarded a contract with substantial cost savings to the USPS. The Postal Service has just begun to implement the award, and as it does the savings will increase over time. The NPMHU therefore believes that to reopen negotiations only two months after issuance of a binding arbitration award would send the wrong message to the dedicated mail handlers working for the Postal Service, and would corrupt the collective bargaining process for future rounds of bargaining.

While we are always willing to work with the Postal Service to achieve cost savings, and to find new revenue streams, we

cannot accommodate your request to reopen contract negotiations. Mail handlers already have contributed to the recent financial restructuring of the Postal Service; it is now up to Congress to authorize additional rate increases, to return the Postal Service's pension overpayments, and to eliminate the onerous financial obligations imposed by the PAEA.

Since the Great Recession of 2008, as the economic downturn and electronic diversion have continued to reduce mail volume, mail handlers have contributed significantly to the reduction of USPS costs. The productivity of mail handlers is at an all-time high. Moreover, during the past 5 years, the Postal Service has reduced its complement of career mail handlers by more than 26%, from 55,800 to 41,200. And in its 2011 National Agreement, the NPMHU has a two-year wage freeze, a lower wage rate for new employees, and a future workforce that is comprised of 20% non-career employees who are paid considerably less and receive no pension and limited benefits. When fully implemented, this new workforce will save the Postal Service more than \$500 million per year in annual costs. It therefore is not just rhetoric when the NPMHU says that mail handlers already have contributed to the financial future of the Postal Service, and it is now time for others (including Congress and USPS ratepayers) to do their share.

## ADMINISTRATOR OF MHBP PURCHASED BY AETNA

**Effective on May 7, 2013**, Aetna successfully completed its acquisition of Coventry Health Care, Inc., which for the past eleven years has served as the administrator and underwriter of the Mail Handlers Benefit Plan. Aetna is one of the nation's leading diversified health care benefits companies, serving an estimated 44 million people, including employer groups, individuals, college students, part-time and hourly workers, health plans, health care providers, governmental units, government-sponsored plans, labor groups, and expatriates. Coventry Health Care and Aetna will build upon each other's strengths to provide quality products and services that deliver value and affordability to a broad group of customers across the United States and overseas.

The NPMHU is excited about the opportunities that the combined business creates, and all indications are that it will be a seamless transition.