

CAPITOL HILL HAPPENINGS

Robert Losi, Legislative and Political Director



The NPMHU awaits the reintroduction of postal reform legislation in the 116th Congress, knowing that the need for true reform is necessary, now more than any previous time since the creation of the U.S. Postal Service in the Postal Reorganization Act of 1970. As first class mail continues to decline in volume, and operating costs continue to rise slowly with the general increase in inflation, without meaningful and effective postal reform the issues facing the Postal Service will eventually come to a head.

On a more positive bit of news, revenues are still increasing in the USPS' competitive class of mail (packages), although not enough to offset the revenue lost from the Postal Service's market dominant (mostly, first class) class of mail. And costs, as noted, are rising only slowly, especially compared to the general rate of inflation or historic standards.

Thus the need for postal reform. Indeed, the Postal Service has maxed out its borrowing authority (\$15 billion) from the U.S. Treasury Department. These monies in the past have been used to assist when equipment upgrades were needed or when the USPS cash flow was at risk. So if reform is not enacted soon, by 2024 the USPS may run out of money or will have to default on other expenditures.

On April 30, 2019, the full House Oversight and Government Reform Committee held a hearing regarding the Financial Condition of the Postal Service. Panelists included Postmaster General Megan Brennan, Margaret Cigno from the Postal Regulatory Commission, Joel Quadracci CEO from Quad Graphics, and Frederic Rolando from the National Association of Letter Carriers.

Chairman Elijah Cummings (D-MD)—a long-time ally of mail handlers and other postal employees who recently was made even more famous by unseemly tweets by President Trump—opened the hearing and talked about how unjust and unfair it is that the last time Congress passed postal reform was the 2006 Postal Accountability and Enhancement Act. He stated that no other federal agency and few, if any, private entities prefund the retiree health benefits for future hires to the degree the Postal Service is required to do under the guidelines of this 2006 legislation. He went on to note some of the reasons for the decline in first class mail and the increase in USPS expenses, while emphasizing the integral

role that the Postal Service plays not just in our economy, but in binding our country together.

Ranking member of the Oversight and Government Reform Committee Jim Jordan (R-OH) said that, in his view, it is imperative that American taxpayers are not saddled with the Postal Service's debts, and therefore he agreed—for different reasons, of course—that true reforms are necessary.

All witnesses that testified agreed that some form of postal reform is essential. The NPMHU understands this to be the case, and continues to work hard to make sure that any reform that is introduced and enacted does not serve to destroy this beloved, 244-year-old institution.

LEGISLATION UPDATE

USPS FAIRNESS ACT, H.R. 2382—Introduced on April 29, 2019 by Congressman Peter DeFazio (D-OR), Congresswoman Xochitl Torres Small (D-NM), and Congressman Tom Reed (R-NY), this piece of legislation addresses the unfair prefunding of retirement for future hires through the Retiree Health Benefits Fund. It already has 182 co-sponsors, and has been referred to the House Committee on Oversight and Reform.

FEDERAL RETIREMENT FAIRNESS ACT, H.R. 2478—Introduced on May 2, 2019 by Congressman Derek Kilmer (D-WA) and Congressman Tom Cole (R-OK), this legislation

no other federal agency and few, if any, private entities prefund the retiree health benefits for future hires to the degree the Postal Service is required to do under the guidelines of this 2006 legislation.



would allow career federal and postal employees that spent time prior to 1988 as temporary employees of the Postal Service to buy that time for future retirement purposes. It has 35 co-sponsors, and has been referred to the House Committee on Oversight and Reform.

HOUSE RESOLUTIONS

H. RES. 60—Introduced on January 17, 2019 by Congressman David McKinley (R-WV), to express the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to restore service standards in effect as of July 1, 2012. It has 184 co-sponsors 184, and has been referred to the House Committee on Oversight and Reform.

H. RES. 33—Introduced on January 9, 2019 by Congressman Stephen Lynch (D-MA) to express the sense of the House of Representatives that Congress should take all appropriate measures to ensure that the United States Postal

Service remains an independent establishment of the Federal Government and is not subject to privatization. This resolution has 258 co-sponsors and also has been referred to the House Committee on Oversight and Reform.

H. RES. 23—Introduced on January 4, 2019 by Congresswoman Susan Davis (D-CA), to express the sense of the House of Representatives that the Postal Service should take all appropriate measures to ensure the continuation of door delivery for all business and residential customers. This proposal has 232 co-sponsors and has been referred to the House Committee on Oversight and Reform.

H. RES. 54—Introduced by Congressman Gerald Connolly (D-VA), to express the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to ensure the continuation of its 6-day mail delivery service. This resolution has 267 co-sponsors and also has been referred to the House Committee on Oversight and Reform.