

## **'Managing the Most Trusted Federal Agency'** 2020 Legislative Position Paper

### **Where is the United States Postal Service currently?:**

The USPS is the only entity—public or private—required to fully prefund its retiree healthcare benefits. Over the past decades, this unique postal obligation has dramatically affected the operations and finance of the USPS. This unfair obligation has threatened the sustainability of daily, universal mail service and directly affected the morale of the employees. It impinges on service to the millions of Americans who depend on a first-class postal service.

### **Bipartisan Postal Reform Legislation:**

Bipartisan-Bicameral “Postal Reform” legislation is being developed by House and Senate leaders of the Oversight & Reform Committee and Homeland Security & Government Affairs Committee. This approach is essential to addressing long-term fiscal and governance challenges facing the USPS.

Comprehensive Postal reform should include the following elements:

- Reducing the harmful effects of the prefunding requirement on postal solvency and operations;
- Allowing the Postal Service to undertake postal product and service innovation;
- Promoting postal pricing that more accurately reflects the true costs of mail acceptance, processing, and delivery;
- Enhancing a universal, accessible, and affordable governmental postal service;
- Assuring relief from the current restrictive retiree health liability by coordinating postal retiree Medicare benefits with the Federal Employee Health Benefits Program (FEHBP)
- Determining an accurate calculation of the USPS' pension liability,
- Reforming the USPS governance structure to improve decision making, and
- Modernizing and improving USPS business practices

### **Maintaining an Independent United States Postal Service**

*Support H.Res33/S.Res99* - Rep. Stephen Lynch (D-MA) introduced H.Res. 33, the resolution states: “That it is 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 not subject to privatization.” There are 267 cosponsors for the House resolution.

Fifty Three Senators have cosponsored the companion Senate Resolution , S.Res.99, introduced by Sen. Gary Peters (D-MI). Both resolutions have garnered overwhelming bi-partisan support. With a new Postmaster General expected to take office soon, Congress needs to ensure the range of solutions for Postal Reform does not include privatization.

## **Ensuring Universal Service for all Communities**

*Support HRes. 54*

UPMA believes postal services are a major necessity for all communities and small and large businesses, as well as citizens both inside and outside major population centers. UPMA supports preserving the Universal Service Obligation.

### **Fair Treatment of Civil Service Retirement System (CSRS) Annuitants /WEP/GPO:**

*Support All Bills. H.R. 141 (Rep. R. Davis, Rep. A. Schiff, Rep. G. Graves, Rep. Cicilline); H.R. 4540 (Rep. Neal); H.R. 3934 (Rep. Brady); S.521 (Sen. Brown)*

Over three decades ago, two provisions were enacted that unfairly penalize CSRS annuitants: the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO).

The WEP is a one-size-fits-all mechanism that reduces the Social Security benefits of workers who also participate in pension plans from employment not covered by Social Security, such as CSRS. The GPO reduces a CSRS retiree's Social Security spousal or survivor benefits by an amount equal to about two-thirds of the CSRS annuity. All three bills would make a significant impact on the retirement security of retired Postal Service employees and current employees who are covered by CSRS.

### **Remaining the delivery partner of choice for American small businesses:**

Small businesses in particular rely on their postal services to reach customers and maintain cost competitiveness. The USPS is a major supplier of cost-effective business solutions, and makes it possible for small business to deliver goods, products, and services to customers across the country and around the globe. UPMA supports the USPS's efforts to strengthen and increase its market share in this phase of the business model they have adopted.

UPMA would also consider supporting any legislation that would allow greater pricing flexibility and encourage growth within the Postal Service. In the past few years, the United States Postal Service has proven that it is able to meet the demands of the mailing public by reducing the size of its workforce, reducing the number of processing and distribution facilities, and continuing to achieve record service levels throughout the country.

### **Other Priority Issues for UPMA in the 116<sup>th</sup> Congress Include:**

- United States Postal Service Shipping Equity Act, H.R. 2517 (Rep. Speier)
- U.S. Postal Service Opioid and Illicit Drug Strategy Act of 2019, S. 2974 (Sen. Romney/Sen. Peters)
- Vote by Mail Act, H.R. 138 (Rep. S. Davis)/S.26 (Sen. Wyden)
- Expanding MSBP appeal rights for all EAS level employees. HR597 (Rep. Connolly)



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