



National Association  
of Letter Carriers

Fredric V. Rolando, President

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# NALC Bulletin

100 Indiana Ave. NW Washington, DC 20001-2144 202.393.4695 www.nalc.org

## House, Senate bills to preserve six-day delivery language

Letter carriers can claim a key victory in the ongoing war over Saturday delivery, thanks to their lobbying efforts with both senators and House members. Just before Congress headed into its August recess, lawmakers marking up separate appropriations bills retained specific, carry-over language that states that “6-day delivery and rural delivery of mail shall continue at not less than the 1983 level.”



Sen. John Tester

That appropriations language is what grants Congress the final say on the days of delivery service. It has remained the same in every federal budget since 1984 and looks set to continue for the upcoming fiscal year.

“Folks in rural and frontier communities often rely on their Saturday mail to bring them the things they need to live,” said Sen. John Tester (D-MT), who serves on the Senate Financial Services and General Government Appropriations subcommittee. “Many Montanans live long distances from the nearest pharmacy or newsstand. Getting mail six days per week is part of what keeps rural America strong and thriving.”

Tester’s subcommittee approved the FY 2011 appropriations bill July 27. Two days later, the full Senate Appropriations committee gave the bill its stamp of approval as well.

Meanwhile, the House Appropriations Subcommittee on Financial Services successfully marked up its own bill on July 29, also with the language on six-day delivery left unchanged. The full House Appropriations Committee will take up the bill after the August recess.

## How the USPS can really save itself

*The following is a letter from NALC President Fredric Rolando sent to the editor of The Washington Post and was printed in the July 31 edition, written in response to an opinion piece calling for the elimination of Saturday delivery.*

The July 23 Washington Forum commentary by Paul B. Carroll and Chunka Mui, “How USPS can save itself,” raised some important points about the future of the U.S. Postal Service. The agency must make changes to continue to provide a vital service to the American people, but cutting service, particularly Saturday mail delivery, should not be one of them.

For the Postal Service to effectively plan for the future, Congress must lift unnecessary financial burdens, allowing the agency to think long term rather than make shortsighted cuts to stay above water.

The Postal Service has been backed into a corner by a multibillion-dollar overpayment into the Civil Service Retirement Fund and a congressional mandate that it prefund its retiree health benefits on an accelerated schedule. Since 1971, the Postal Service has made as much as \$75 billion in overpayments into its federal retirement fund. If that money were returned to the Postal Service, it could be used to meet the requirement to prefund retiree health benefits. This unnecessary requirement, which forces the agency to pay a 75-year liability in a 10-year time frame, has turned Postal Service profits into losses in two of the past three years.

## EPI: Congressional mandates account for most of USPS’ recent losses

Contrary to popular belief, Americans’ increasing use of the Internet for digital communication is not the most important cause of the USPS’ losses in recent years. So says the Economic Policy Institute, a progressive Washington think tank, in its recent report on the subject.

EPI found that at the heart of the current financial crisis is the congressionally-mandated pre-funding of the Postal Service’s retiree health benefits—a requirement imposed on no other government entity or private-sector company.



The EPI report bolsters the NALC’s own findings—that had the Postal Service not been bound to pre-fund future retiree health

benefits on such an aggressive schedule, the Service would have operated in the black in 2007 and 2008—at the height of the Great Recession—and probably would have come close to breaking even again last year.

“Despite the severe statutory challenges imposed upon the USPS, the agency has nevertheless prudently managed its retiree benefits,” the report said, noting that “USPS already has the assets to cover all retiree health benefits until at least 2025.” Better still, the Service’s pension plans “were 99.5 percent funded as of the end of the Postal Service’s 2009 fiscal year.”

EPI also highlights the findings of both the USPS Office of the Inspector General and the Postal Regulatory Commission that an accounting error by the Office of Personnel Management dating back to 1971 has resulted in a \$50 billion to \$75 billion Postal Service overpayment into the Civil Service Retirement Fund.

The EPI report calls for several steps that Congress should take to correct the \$75 billion pension overpayment, including directing OPM to fairly calculate the Postal Service’s pension obligations, and then transferring the pension surplus to the Postal Service Retiree Health Benefits Fund.

In fact, these are the two main thrusts of H.R. 5746, a bill introduced by Rep. Stephen Lynch (D-MA) last month. With 41 co-sponsors as this *Bulletin* went to press, this bill is at the heart of NALC’s legislative agenda for the near future. President Rolando recently sent an e-Activist message asking members to contact their representatives about the bill. The full House Committee on Oversight and Government Reform will consider H.R. 5746 after the August recess.

If Congress implements its recommendations, EPI argues that cutting Saturday mail delivery service would not be necessary at all, and could ultimately spare the 80,000 full- and part-time postal positions that would be placed on the chopping block by eliminating a day of mail delivery.

During the Senate’s recent appropriations discussions, Illinois Sen. Richard Durbin seemed to echo EPI’s findings.

“There’s a question about whether they overpaid into their pension system and we haven’t resolved that,” he said. “That’s a big amount of money. It’s billions.”

*The complete EPI study is posted online at [nalc.org/saturday](http://nalc.org/saturday).*



Sen. Richard Durbin

## Swing and a miss

On July 29, Rep. Jason Chaffetz (R-UT), the ranking member of the House Subcommittee on Federal Workforce, Postal Service, and the District of Columbia, introduced H.R. 5919, a bill that calls for giving the postmaster general the authority to implement up to 12 non-mail delivery days each fiscal year.

“Congressman Chaffetz has been generally friendly toward letter carriers and the Postal Service,” said NALC President Fredric Rolando, “and I believe his heart is in the right place in trying to find a compromise to give the Postal Service some help in getting out of its financial mess.

“But this bill would give the Service the authority to randomly assign what amounts to 12 furlough days a year, which would in effect override our collective bargaining agreement with the Postal Service. We cannot support such legislation.”

## Convention time is here!

**More than 8,700 carriers in Anaheim for NALC Convention; saving six-day mail delivery highlights agenda**

The largest convention among AFL-CIO affiliated unions gets under way Monday as more than 8,700 letter carriers representing every U.S. state and territory convene in Anaheim, California for our week-long 67th Biennial National Convention at the Anaheim Convention Center.

NALC President Fredric V. Rolando will deliver the keynote address August 9 shortly after the convention convenes.

Also scheduled to address the delegates during the five-day gathering are U.S. Reps. Loretta Sanchez and Susan Davis (both D-CA); AFL-CIO President Richard Trumka; NALC President Emeritus William H. Young; United Mine Workers President Cecil Roberts; American Postal Workers Union President William Burrus; National Rural Letter Carriers’ Association President Don Cantriel; Communication Workers Union General Secretary Billy Hayes; Norwegian Post and Communications Union (Postkom) President Odd Christian Overland; Economic Policy Institute Founding President and distinguished fellow Jeff Faux; UNI Global Union’s head of Post and Logistics Neil Anderson; and Global FoodBanking Network Founder and President Bob Forney.

In addition to ongoing discussions about the Postal Service’s misguided money-saving proposal to end Saturday mail service, convention delegates will debate and then approve or disapprove resolutions and constitutional amendments submitted by delegates and discuss next year’s contract negotiations. They will also nominate candidates for all 10 national resident officer positions, three national trustee posts, and the 15 national business agent slots.

Additionally, daily workshops on a variety of special-interest topics will be held before and after the general session.



The Anaheim Convention Center

Convention coverage will be provided in special editions of the *NALC Bulletin* and daily on the union’s website at [nalc.org](http://nalc.org). A full write-up on Anaheim’s activities will appear in a combined September-October issue of *The Postal Record*, arriving in mailboxes October 1.