



Bulletin

NALC files three national-level grievances

NALC has filed a national-level grievance regarding the Postal Service's unilateral implementation of the consolidated casing initiative that began in the Annandale, VA, post office last month. The Postal Service plans to expand the initiative to more than 200 additional locations this summer. The letter initiating this grievance and NALC's questions to the Postal Service on this initiative can be viewed on nalc.org. NALC will provide assistance to branches involved in this test. Branch officers, representatives and members with questions should contact their national business agent's office. NALC will provide updates on this test as they become available.

NALC also has filed a national-level grievance regarding the Postal Service's continuing non-compliance with the contractual caps on the employment of city carrier assistants (CCAs). Article 7, Section 2 of the National Agreement and the Memorandum of Understanding Re: Sunday Delivery – City Carrier Assistant Staffing limit the number of CCAs the Postal Service may employ in each USPS district. The letter initiating the grievance can be viewed at nalc.org. Branch officers, representatives and members with questions should contact their national business agent's office.

Additionally, a national-level grievance has been filed on management's failure to implement Arbitrator Goldberg's Award, issued Aug. 6, 2018, which ordered the Postal Service to rescind the changes it had made in Exhibit 514.4 of the *Employee and Labor Relations Manual (ELM)* and PS Form 3971. The change made by USPS was to exclude the use of union leave without pay to participate in partisan political activity. The Postal Service has filed a lawsuit in federal court to vacate the award. In the absence of a court order, it is NALC's position that the Postal Service cannot suspend compliance with the Goldberg Award.

USPS Fairness Act introduced

On April 28, Reps. Peter DeFazio (D-OR), Tom Reed (R-NY), Xochitl Torres Small (D-NM) and Brian Fitzpatrick (R-PA) introduced the USPS Fairness Act (H.R. 2382), which would repeal the mandate—enacted through the Postal Accountability and Enhancement Act (PAEA) of 2006—that USPS re-fund decades' worth of health benefits for its future retirees.

As letter carriers know, the pre-funding mandate has cost an average of \$5.4 billion annually since 2007 and is responsible for 92 percent of USPS losses over the last 12 years, as well as 100 percent of losses over the past six years. Absent this burden, which applies to no other agency or company, USPS would have recorded a surplus of nearly \$4 billion since 2013. (For more on how this mandate came about, see the cover story in the *May Postal Record*.)

Moreover, the mandate has prevented the Postal Service from properly investing in its networks and infrastructure. Even worse, the resulting financial losses are still used to both threaten core services that Americans rely on—such as door-to-door service, six-day delivery and convenient post office hours—and to advance proposals to privatize the Postal Service and attack the jobs and rights of America's postal employees.

Through its universal delivery network, the Postal Service helps unify this vast nation while linking 159 million U.S. households and businesses to each other seven days a week. The centerpiece of a \$1.4 trillion mailing industry that employs 7.5 million Americans, it also is essential to our nation's voting systems and to millions of small businesses, as well as tens of millions of citizens in rural, suburban and urban communities across the country. It also is critical to numerous industries, including e-commerce; prescription drugs; and the nation's paper, publishing and advertising businesses.

"NALC applauds Reps. DeFazio, Reed, Torres Small and Fitzpatrick for introducing this bipartisan legislation as a crucial first step toward bringing financial stability to the most trusted and highest-rated agency in the federal government," President Rolando said. "The USPS is a national treasure and an essential part of the nation's economic infrastructure. Congress caused this crisis when it passed the PAEA in 2006 and Congress can begin to fix it by passing the USPS Fairness Act."

Should this legislation progress through the House and Senate, and then be signed into law, it will significantly improve the financial situation at the Postal Service. NALC is committed to working with Congress on any and all options that can bring financial stability to the agency, so it can then focus on much-needed improvements to its networks and infrastructure (such as fleet replacement), as well as on developing or improving new and existing products and services.

Letter carriers who want to urge their representatives to become co-sponsors of the bill can call the U.S. Capitol switchboard at 202-224-3121, provide their ZIP code and be connected to their representative's office.

Federal Retirement Fairness Act reintroduced with notable changes

On May 2, Reps. Derek Kilmer (D-WA) and Tom Cole (R-OK) introduced the Federal Retirement Fairness Act of 2019 (H.R. 2478). The bill would provide certain federal employees with the opportunity to make catch-up retirement contributions for time spent as temporary employees after Dec. 31, 1988, thus making such time creditable service under the Federal Employees Retirement System, as well as for other purposes.

The key difference between H.R. 2478 and the version introduced in the previous Congress is that temporary postal employees, such as letter carriers who spent time as casuals, transitional employees (TEs) or city carrier assistants (CCAs), are specifically covered in the new bill's language. This clarification would help postal employees plan for their retirement, should the legislation be signed into law.

NALC supports the Federal Retirement Fairness Act and will keep letter carriers posted on the legislation's progress.

Retiree Health Benefits Fund investment bill

Reps. Stephen Lynch (D-MA) and David McKinley (R-WV) reintroduced the Postal Service Financial Improvement Act (H.R. 2553) early last month in the House. The bill is identical to versions introduced in previous Congresses and would strengthen the Postal Service's finances by raising the long-term rate of return on the assets of the Postal Service Retiree Health Benefits Fund.

It would allow the Fund to be invested in higher-returning safe investments, rather than restricting it to low-yielding Treasury bonds. NALC believes that this bill is part of a series of pieces of legislation that contain the building blocks for successful postal reform.

Stamp Out Hunger®

Food Drive a day for food and hope



For the 27th year, letter carriers circled the second Saturday in May on their calendars as a day to deliver for the nation's hungry. And on Saturday, May 11—Food Drive Day—they delivered! NALC members representing more than 1,400 branches worked alongside thousands of family members, friends and volunteers—not to mention their fellow employees in the other postal craft unions and in management—to pick up bags upon bags of non-perishable food left by postal customers' mailboxes.

"Every year, I am humbled by the extra work letter carriers take on to make this humanitarian effort such a success," NALC President Fredric Rolando said. "And while we remain saddened to know that hunger remains an issue in this great country, we know that NALC will continue to stay engaged for as long as it takes to stamp out hunger."

The food drive is an especially timely event, since food donations typically peak during the winter holidays and food pantries usually are depleted by Memorial Day weekend. Complicating matters: Free or reduced-cost meals for the children of families in need tend to be available only while school is in session, which means that many families face greater hardship once summer vacation begins.

Letter carriers had to make an extra effort to collect through storms in the South and along the Eastern part of the country. But no matter the weather, nothing could dampen the enthusiasm among participants.

This issue of the *NALC Bulletin* was heading to press just as many branch collection result forms were on their way to NALC Headquarters, even as other branches were simply swamped by the overwhelming generosity of postal customers. Coordinators in those places were busily calculating just how much non-perishable food had been donated.

"It's too early to know what the results of this year's drive will be," Assistant to the President for Community Services Christina Vela Davidson said, "but no matter the result, the food banks and pantries that receive these contributions will make the most out of every single pound."

Branch collection results forms are due at NALC Headquarters by June 1. A final national total for the drive is scheduled to be announced shortly after that; a detailed report on the drive, including branch-by-branch results, will appear in the July issue of *The Postal Record*.

2020 Leadership Academy application period open

The application period for participation in the Leadership Academy in 2020 is now open. Since 2005, NALC has sponsored letter carriers representing each of its 15 regions for this intensive training program to develop the skills effective leaders need.

Under the tutelage of their mentors—established NALC leaders such as branch presidents or national business agents—the students combine three separate weeks of classroom learning with take-home assignments and special projects.

During the classes, students discuss effective leadership skills and the union's legislative agenda. They learn about topics such as the Dispute Resolution Process, strategic planning, branch financial responsibilities, retirement issues, route protection, workers' compensation, effective negotiation techniques and getting NALC's message out.

The application period ends on Aug. 31; a Leadership Academy schedule for 2020 will be announced later. Application forms are available at nalc.org/leadership. Those who have applied previously but were not selected must reapply to be considered.



NALC members, family and friends joined Team NALC Rolando to participate in the 2019 Muscle Walk of Greater Washington, DC. The team raised more than \$19,000 before and after the event on May 18.

NALC calls for sensible postal reform in the House

On April 30, NALC President Fredric Rolando testified and answered questions at a hearing of the House Committee on Oversight and Reform. His testimony centered on the urgent need to pass postal reform legislation and to address pre-funding, the primary source of USPS financial losses over the last 12 years.

"I'd like to urge the committee to aggressively pursue postal reform this year, but to do it with caution and humility," Rolando told the committee in his opening statement. "As we learned in 2006, it is hard to predict the future. Long-term economic forecasts are notoriously inaccurate—and the cost of misconstruing the future can be high. Indeed, the internet did not destroy the Postal Service as predicted. Just imagine if we had given in to those advocating the end of Saturday delivery in 2011 or 2012—we would have missed out on the e-commerce boom. Worse, we would have unnecessarily eliminated tens of thousands of good jobs and weakened the Postal Service, which is a true national treasure."

Rolando testified for NALC and also on behalf of the other three postal employee unions: the American Postal Workers Union, the National Rural Letter Carriers' Association and the National Postal Mail Handlers Union. Also testifying were Postmaster General Megan Brennan; Margaret Cigno, director of the Office of Accountability and Compliance at the Postal Regulatory Commission (PRC); President and CEO of Quad/Graphics Joel Quadracci; and Cato Institute Director of Tax Policy Studies Chris Edwards.

Committee members from both parties spoke of the desire to pick up where the last Congress left off, with a bill being voted out of committee. They acknowledged the difficulty in getting such a bill to the House floor for a vote of the full chamber but were determined to continue the effort in the current Congress.

"It is our responsibility to move further than we did in the past," committee Chairman Elijah Cummings (D-MD) said. "We now have a whole new Congress. We now have members who are new to this committee and new to this issue. I hope today's hearing will be an opportunity for all of our members, new and old, to get an overview of the challenges faced by our Postal Service and to get an update on its current financial condition and to hear about the many different proposals that have been made for reform."



At the Oversight and Reform hearing, committee Chairman Elijah Cummings (D-MD) spoke about the need to move legislation forward while (at l) Ranking Member Jim Jordan (R-OH) listens on.

Rolando took the opportunity to lay out objections to the previous legislation, and to offer refinements to make the concepts fairer to employees as well as more politically palatable.

"A simple repeal of the pre-funding mandate remains the most obvious solution to the postal financial crisis," President Rolando said. "A repeal, in combination with a more sensible rate-setting system from the PRC's 10-year review, would go a long way toward stabilizing the Service's finances. In fact, Reps. Peter DeFazio and Tom Reed on Monday introduced a pre-funding repeal bill [the USPS Fairness Act, H.R. 2382]. If enacted, we would still have 12 to 13 years of funds set aside for retiree health premiums—a total of \$47.5 billion.

"We recognize that some members of Congress would prefer to maintain the pre-funding policy but focus on ways to reduce its burden by fully integrating with Medicare," Rolando said. "Unfortunately, that approach has failed to advance in Congress for a number of reasons—most notably the refusal of other committees of jurisdiction to take up measures containing Medicare proposals, and the lack of certain safeguards. Even more problematic was language to ban new door delivery service and to require the conversion of existing door delivery to curb-line and centralized delivery."

Rolando pointed out that a bipartisan majority co-sponsored a resolution in the last Congress. A similar resolution, H. Res. 23, has 174 co-sponsors in the current Congress. Postal stakeholders, including the employee unions and coalitions of mailers, share a consensus over necessary reforms, he said.

Those proposed reforms include:

- Adjusting the pre-funding target to levels in the private sector based on vested liabilities (the costs to cover current retirees and employees near retirement age who are eligible for such benefits).
- Phasing in Medicare integration in a way that limits the impact on the trust funds and current retirees.

During heated questioning, committee members indicated that they were surprised by Postmaster Brennan's revelation that the Postal Board of Governors (BOG)—which currently has only four members—is working on a 10-year business plan that would include eliminating Saturday mail delivery. The committee wanted to know when the business plan would be available for review. President Rolando urged the committee to address the pre-funding requirement before acting on the BOG business plan.

"Let's address the most important issue first—the misguided pre-funding burden," he said. "Let's implement the PRC's new rate-setting system. Let's fill the seven vacancies on the Board of Governors with talented people who are capable of developing a workable business plan. And then let the Postal Service and its employees adapt and innovate to meet the evolving needs of our nation."

See the June *Postal Record* for more on the hearing.

Two of five NALC priority resolutions reach majority of support

Two of NALC's five priority resolutions have hit a majority of support in Congress. Thanks to the hard work of letter carriers nationwide, H. Res. 33, opposing the privatization of the Postal Service, and H. Res. 54, supporting the continuation of six-day delivery, have passed that 218 co-sponsor mark.

"There is still a lot of work to do," President Rolando said. "We need to continue to get as many co-sponsors as possible for each of our priority resolutions, even where majority support has been reached."

In the effort to reach a bipartisan majority on all resolutions, NALC encourages all letter carriers to check on the NALC Member App and on nalc.org to see whether their representative already is a co-sponsor of H. Res. 23, H. Res. 33, H. Res. 54 or H. Res. 60, and also whether their senators are co-sponsors of S. Res. 99, before reaching out and asking for their support.

Branch Officers Training set for Cleveland, New Orleans

NALC Secretary-Treasurer Nicole Rhine has announced that two Branch Officers Training seminars will be held later this year.

Branch Officers Training sessions consist of three and a half days of educational seminars tailored to assist branch presidents, vice presidents, treasurers, recording secretaries, financial secretaries and trustees in the performance of their duties.

Branch Officers Training covers the basics for financial officers: taxes; accounting systems and maintenance of proper controls; reporting to the Department of Labor; fiduciary duties under the Landrum-Griffin Act; bonding of branch officers and IRS reporting requirements.

Additional training topics include the *NALC Constitution* and branch bylaws; branch operations and identifying branch policies; maintaining accurate and complete meeting minutes; member notification requirements; record-keeping; branch elections; and branch dues and how to read a dues roster.

One session of Branch Officers Training is set for Aug. 26-29 in Cleveland. The registration deadline for this training is July 19. Room rate (single/double) is \$189 plus tax.

The other session will take place Sept. 16-19 in New Orleans. Registration deadline for this training is Aug. 1. Room rate (single/double) is \$199 plus tax.

The registration form for both Branch Officers Trainings is below. Branches must use the registration form to register for the class. Note: Please do not make airline reservations until you receive an acceptance letter.

Branch Officers Training registration form

Please register me for one of the following NALC Branch Officers Training seminars:

Aug. 26-29 in Cleveland

Registration deadline is July 19. Room rate [single/double] is \$189 plus tax.*

Sept. 16-19 in New Orleans

Registration deadline is Aug. 1. Room rate [single/double] is \$199 plus tax.*

If your chosen seminar is already full, check here if you'd like to be registered for the other one.

PLEASE PRINT LEGIBLY

Name _____
(one registrant per form, please)

Branch or state position _____

Branch # _____ Branch city _____ State _____

Home address _____

City _____ State _____ ZIP _____

Phone number (required) _____

Send to:
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Washington, DC 20001-2144
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* Please do not make airline reservations until you receive an acceptance letter.

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