



National Association of Letter Carriers

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

Fredric V. Rolando, President

May 25, 2016

The Honorable Jason Chaffetz
Chairman
House Committee on Oversight and
Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Elijah Cummings
Ranking Member
House Committee on Oversight and
Government Reform
2471 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Mark Meadows
Chairman
House Committee on Oversight and
Government Reform,
Subcommittee on Government Operations
2157 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Gerald Connolly
Ranking Member
House Committee on Oversight and
Government Reform,
Subcommittee on Government Operations
2471 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairmen Chaffetz and Meadows and Ranking Members Cummings and Connolly:

Thank you for inviting me to testify before the Committee to discuss viable solutions to Postal Service reform. NALC appreciates the opportunity and remains committed to advancing targeted, sensible reforms that will restore financial stability to this treasured institution. As a result of your leadership and behind the scenes efforts, we believe there is real opportunity for the Committee to accomplish targeted reform. A broad range of stakeholders – including postal unions, postal management, and a cross-section of mailing industry associations – stand ready to assist you in these efforts.

As discussed during the hearing, these stakeholders remain committed to work to advance the following core provisions in a reform bill:

- Using postal-specific assumptions in valuations of the Postal Service's pension plans with any surpluses returned to the Postal Service over time;
- Reforming the Federal Employees Health Benefits Program as it relates to coverage of postal employees and postal annuitants to reduce the cost of future retiree health benefits by further integrating with Medicare;
- Directing the PSRHBFB to be invested in index funds comprised of private sector stocks and bonds as well as government bonds with appropriate governance procedures;
- Permitting the Postal Service to provide non-postal products in limited circumstances; and
- If necessary, making an adjustment to the market-dominant base rates in order to ensure adequate revenue for the Postal Service through the period of the PRC review.

We believe these provisions are at the core of a necessary reform package. With regards to issues of concern raised during the hearing, much discussion was dedicated to the question of whether or not there is need for additional service and delivery cuts. We agree that further cuts to services is not the way to make the Postal Service financially stable or more relevant in people's lives.

We look forward to continue working with the Committee in its mission to advance bipartisan consensus reform aimed at create a financially stable Postal Service.

Sincerely,



Fredric V. Rolando
President