



NALC FACT SHEET

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The Opioid Epidemic and the STOP Act

Background on the STOP Act

In response to the grave threat to the nation posed by the opioid epidemic, numerous pieces of legislation have been introduced in the House and Senate to address the issue. One of them has serious implications for the U.S. Postal Service and its finances.

The Synthetics Trafficking and Overdose Prevention (STOP) Act of 2017 (H.R. 1057 and S. 372) proposes to regulate international mail operations and apply private shipper customs rules to the USPS. It would impose huge costs and penalties on the Postal Service that, unlike private shippers, could not be recovered by charging other nations' postal operators or their customers. And because it would take effect immediately, the bill would threaten a disruption of the free flow of letters, flats and packages across international borders.

The STOP Act seeks to prevent the shipment of synthetic drugs into the country from foreign sources by: requiring the Postal Service to supply the U.S. Customs and Border Patrol (CBP) advanced electronic data (AED) on all flats and packages from all countries to facilitate a CBP review of suspect shipments; imposing the same customs rules on the USPS that are applied to private shippers; and making the Postal Service liable for the contents of packages once they enter the country. The bills would impose a \$1 per package customs fee on USPS on up to 400 million packages each year, a \$400 million annual cost that under the Universal Postal Union (UPU) treaty cannot be recovered from other countries' postal operators or their customers. Such fees can only be recovered on dutiable packages, which the vast majority of USPS packages are not. (The UPU is an intergovernmental agency of the United Nations that regulates international postal policy, rates and services.)

In addition, the STOP Act would make the Postal Service liable for compliance and penalties associated with any violations of the customs process, including those committed by the foreign operator/sender. The bill claims to include a cost recoupment process for these fees and penalties paid by the Postal Service. But rules adopted by the UPU make this process unworkable—placing additional hardship on an agency that is already financially fragile.

How the Postal Service has responded to the issue

The Postal Service is already negotiating to improve security with other postal operators, focusing on China, Mexico and a handful of countries most associated with illicit opioid shipments. These efforts and a new package security program at JFK Airport in New York have already increased the percentage of USPS package shipments with AED to nearly 50 percent of all such shipments. More needs to be done, but it does not make sense to apply the CBP's private shipper rules to USPS. The Postal Service's situation is totally different.

USPS has a universal service obligation in the United States that includes the delivery of mail, printed matter, parcels and other items from every country in the world. The private shippers have total control over the induction of all shipments they accept and the rates they charge. The Postal Service must operate in all countries, as required by the UPU treaty, and must accept all shipments from other countries' postal operators at rates set by the treaty. Those operators control the induction of shipments that are handed off to USPS. Many of the operators in poorer countries lack the technological and financial resources to comply with the AED mandate and other customs' requirements. Therefore, imposing the STOP Act immediately might force the Postal Service to block inbound flats and packages from non-compliant countries. Such countries would likely retaliate and close off communication and commerce with the United States—to the detriment of Americans living at home and abroad.

NALC'S opinion

NALC urges Congress to address the flaws in the STOP Act before considering it:

At a minimum, the STOP Act should be amended to require an appropriation of funds to cover the Postal Service's costs due to the bill's security measures, which would serve to protect the public health of our country without weakening our vital universal service provider. Facing a similar public health crisis in 2001 after the nation endured an anthrax attack through the mail, Congress appropriated \$500 million to the Postal Service to implement a detection system to prevent bio-terrorism. Appropriated funds should cover the customs fees, penalties and other implementation costs until such time as they can be recovered through bilateral and multilateral agreements.

The bill should also be amended to provide the Postal Service and the State Department time to implement the bill's requirements before it takes full effect. With a reasonable amount of time, the Postal Service could complete the expansion of its JFK Airport mail security program to all of its international service centers and conduct the kind of targeted bilateral negotiations with the key countries from which opioids are coming. It would also allow the State Department to negotiate new terms within the UPU to further increase the provision of AED and improve security practices in all 195 countries that belong to the UN agency. These steps can make a real difference in preventing the import of illicit opioids.

America's letter carriers, who work in every neighborhood in the country, have seen the devastating impact of opioids firsthand. We are fully committed to working with Congress to fight the epidemic in any way we can.