

COMPARING POSTAL REFORM BILLS: NALC'S PRIORITIES

H.R. 5714

S. 2051

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Prefunding	<ul style="list-style-type: none"> Amortizes USPS' unfunded liability over 40 years with 100% funding target. 	<ul style="list-style-type: none"> Amortizes USPS' unfunded liability over 40 years with 80% funding target.
FEHBP	<ul style="list-style-type: none"> Creates separate risk pool for postal employees and annuitants. Mandatory enrollment in Medicare Parts A (hospital insurance) and B (medical insurance) of the Medicare program (except for those covered by FEHBP plans with fewer than 1,500 postal participants). Provides access to low-cost prescription drugs provided indirectly to postal FEHBP plans by Medicare Part D. Late enrollment penalty for Part B waived; includes Medicare Transition Fund. 	<ul style="list-style-type: none"> Creates separate risk pool for postal employees and annuitants. Mandatory enrollment in Medicare Parts A (hospital insurance) and B (medical insurance) of the Medicare program (except for those covered by FEHBP plans with fewer than 5,000 postal participants) Provides access to low-cost prescription drugs provided indirectly to postal FEHBP plans by Medicare Part D. Late enrollment penalty for Part B waived during one-time open season.
PSRHBF	<ul style="list-style-type: none"> Companion legislation (H.R. 5707) allows 25-30% of RHBF to be invested in private-sector stocks and bonds through TSP-like account and establishes Investment Committee to advise the Secretary of the Treasury on investments. 	<ul style="list-style-type: none"> Allows USPS to invest amortization payments for up to 10 years in TSP-like account, investing in higher interest bearing account or existing low-interest RHBF. After 10 years, investment income would pay remaining liability and then other obligations.
Calculating Liabilities	<ul style="list-style-type: none"> Directs OPM to use postal-specific assumptions for retiree liabilities. 	<ul style="list-style-type: none"> Directs OPM to use postal-specific assumptions for retiree liabilities.
Exigent Rate	<ul style="list-style-type: none"> Restores half of the expired exigent rate increase, or 2.15% of the 4.3% surcharge. 	<ul style="list-style-type: none"> Restores the full 4.3% expired exigent rate increase and freezes rates until January 2018.
Non-Postal Services	<ul style="list-style-type: none"> Authorizes USPS to provide non-commercial, non-postal services to state, local and federal agencies. 	<ul style="list-style-type: none"> Authorizes USPS to deliver beer/wine, offer new non-postal products using its existing network which improve finances.
Workers Compensation		<ul style="list-style-type: none"> Reduces FECA benefits for injured workers, lowers spousal/dependent benefits and reduces lost wage compensation at age 65.
FERS Surplus	<ul style="list-style-type: none"> Authorizes amortized refund of projected FERS surpluses on the same schedule as the amortization of a projected shortfall. 	<ul style="list-style-type: none"> Authorizes refund of FERS overpayments up to \$6 billion in first year, two-thirds of or remaining surplus in second year, and remaining surplus to be paid in installments.
Delivery Conversion	<ul style="list-style-type: none"> Requires USPS to identify delivery points suitable for centralized or curbside delivery. Mandates the conversion of identified business addresses in 5 years. Encourages voluntary residential conversion. 	<ul style="list-style-type: none"> Encourages voluntary conversion to curbside or centralized delivery to business and residential customers. Requires customer consent.
Service Standards & Closures/Consolidations		<ul style="list-style-type: none"> Freezes current service standards for 5 years. Delays closures or consolidations for two years of any plant or facility currently in operation.