



2017 National Conference, Part 2:

Rolando discusses postal reform, legislative challenges and strategies



NALC President Fredric Rolando led an interactive national rap session in Atlantic City, NJ, on June 14.

"We face real risks," Rolando said. "Our collective-bargaining agreements could be negated and our ability to collectively bargain could be taken away by Congress. I'm dead serious."

We also have to be at the top of our game, legislatively, he said: "We need a steady stream of letter carriers contacting their members of Congress—visiting district field offices, making phone calls, sending letters and e-mails, and attending town hall meetings."

The effort to organize and mobilize NALC members in this fight needs to be led by the state associations, he said, with the full support and activism of the union's local branches.

"This is not just an exercise," Rolando said. "This is a reality—scary stuff and very real, a consequence of an election that left us with no checks and balances in Washington."

All federal workers could soon feel the implications as appointments get made to a variety of boards and commissions that have a direct effect on federal employees.

"That's why our legislative network has to be working at an optimum level," he said.

Postal reform

"Not all legislative issues are purely partisan issues," President Rolando said, turning to the largely bipartisan drive to enact postal reform and its focus on fixing "the pre-funding mess"—that is, the 2006 mandate that requires USPS to set aside billions a year to pay for its share of future health care premiums of retired employees—"a manufactured financial crisis that turned a long-term liability into a massive current obligation," he said.

Enemies of USPS consistently use this so-called liability against us, he said, adding that the news media's narrative sometimes refers to a "failing" or "broke" USPS that's "on the verge of needing a taxpayer bailout"—even though the agency receives no taxpayer money, funding itself through the sale of postage and postal products and services.

To help combat this false message, NALC continues to work with stakeholders in the other postal unions, in the mailing industry and in USPS itself. This coalition's attempts to forge a path toward finally solving the pre-funding problem seem to have gained some traction with H.R. 756, a postal reform bill introduced earlier in the House of Representatives this year.

There's a lot of misinformation out there about NALC's position on this bill, Rolando said. "We have the same positions we've always had," he said, "but having a one-party government means we needed a new legislative strategy—and that includes pushing to move a solid-but-flawed H.R.756 out of the House Oversight Committee," the committee with jurisdiction over USPS.

Some of the misleading information falsely equates NALC's desire for the bill to move along in the legislative process with union approval of the bill as written, he said. There's also misinformation about the bill's Medicare integration piece.

If you sign on to Medicare at age 65, Rolando said, it becomes your primary medical insurance. "If you're already enrolled in a private health plan—such as the NALC Health Benefit Plan—that can take care of whatever isn't covered by Medicare," he said.

"Medicare integration is not new," Rolando said, noting that 85 percent of NALC retirees already enroll in Medicare Parts A (hospitalization) and B (medical expenses) at age 65. H.R. 756 calls for all postal retirees to do so.

"This proposal is designed to help fix the pre-funding problem," Rolando said, "but our premise has always been that we're not going to do so on the backs of our retirees."

Many annuitants have good reasons for choosing not to enroll in Medicare at age 65, he said, and H.R. 756 provides for transitional subsidies and a waiver of the stiff late-enrollment penalty. But he outlined two additional provisions for current unenrolled seniors that must be included for NALC to support final passage: specifically for those who cannot benefit from Medicare Part B and those facing extreme financial hardship.

Rolando also highlighted another area of concern with H.R. 756: the unacceptable and unnecessary provisions on door delivery that would inflexibly prevent any new business and residential addresses from receiving door delivery. These provisions also would require the USPS to identify addresses that currently have door delivery but could be moved to some other delivery method, mandatorily for businesses and voluntarily for residences.

The Postal Service's current practice for the conversion of door delivery involves a minimal and declining number of addresses, the president said, and the agency provides door delivery to new addresses in cases where that method makes the most sense. He explained that, for NALC to support H.R. 756, the law's delivery provisions must not result in a trend of conversions beyond the current practice, allowing USPS to retain the flexibility to provide door delivery service when it makes financial or operational sense.

Other components of H.R. 756 include a partial restoration of the exigent rate increase equal to a one-cent raise in the price of a first-class stamp, and a requirement to accurately value the Postal Service's pension accounts. Rolando noted that the union's coalition of stakeholders hopes to merge H.R. 756 with a separate postal bill, H.R. 760, that calls for facilitating better investment of the Postal Service Retiree Health Benefit Fund (PSRHBF) to further reduce the burden of pre-funding.

The previous *NALC Bulletin* (No. 17-04, dated June 23) covered the portion of the June 14 National Conference in Atlantic City, NJ—aka "rap session"—that dealt with NALC President Fredric Rolando's interactive discussion of the proposed 2016-2019 National Agreement between NALC and the U.S. Postal Service. In Part 2, we report on the final hour of the morning rap session, which the president began by noting that the 2016 elections gave the United States a one-party government controlling the House of Representatives, the Senate and the White House.

Among the consequences, he said, is the unfortunate resurgence of a number of anti-union and anti-postal proposals. He laid out in stark terms the all-out assault on federal and postal employees presented in President Donald Trump's first budget proposal:

- up to 6.45 percent in pay cuts resulting from proposals to raise Federal Employees Retirement System (FERS) pension contributions.
- proposed elimination of FERS COLAs for current and future retirees and the proposed reduction in Civil Service Retirement System (CSRS) COLAs by 0.5 percent per year.
- plans to reduce FERS benefits for future retirees by eliminating the "Social Security supplement" for employees who retire before age 62 and by adopting a high-5 average salary base in the benefit formula (instead of the high-3 average under current law).
- renewed attacks on city carrier jobs in the form of proposals to reduce Saturday and door delivery.

Balloting begins on proposed 2016-2019 NALC-USPS agreement



NALC's Ballot Committee monitored and observed as proposed agreements were mailed to voting members.

Shortly after NALC's recent 2017 National Conference in Atlantic City, NJ, every active letter carrier eligible to vote in the election to ratify the tentative 2016-2019 National Agreement between NALC and the U.S. Postal Service was mailed a copy of the proposed pact. Included in the mailing was a letter from NALC President Fredric Rolando, a summary of the contract's provisions, a ballot and secrecy envelope, a return envelope and instructions for casting a vote.

For a ballot to be counted, it must be received by 11:59 p.m. on July 29.

The *NALC Constitution* provides that "membership acceptance or rejection of a proposed National Agreement shall be by majority of valid ballots returned by the voters." If the agreement is accepted, it will go into effect immediately. If the agreement is rejected, then, under the Postal Reorganization Act, the parties may continue bargaining or, ultimately, refer the dispute to an interest arbitration board. Under the law, decisions of the arbitration board are conclusive and binding upon the parties.

If any of the ballot materials described above are missing from your mailing, immediately call NALC Headquarters at 202-393-4695. (Note that the phone number printed in the mailed ballot instructions is incorrect.) As reported in the June *Postal Record*, President Rolando has appointed a Ballot Committee to conduct the ratification vote. The committee arrived in Washington, DC, on June 19 to monitor and observe the mailing of the ballots.

Legislative strategy

Rolando concluded his presentation on the union's legislative strategy by reminding branch leaders that letter carriers have two factors in our favor: First, postal reform is not a partisan issue, and second, the political diversity of our members is a strength.

"We are part of a universal delivery service to every address in the U.S. that receives no taxpayer dollars and is among the least expensive in the world," he said. "That's a message that can appeal across the political spectrum."

Working together, Rolando said, NALC members can pool resources to elect senators and representatives from both parties who support letter carriers and the Postal Service. That means downloading the NALC Member App to their smartphones, he said, to become part of our army of grassroots activists, as well as giving to our political action committee, the Letter Carrier Political Fund (LCPF)—essential, he said, since the union is prohibited from using dues for political activity.

"We're very thankful for the thousands of members who already contribute to the Fund," he said, "but we're obviously not reaching enough of our members. We have to do more to educate them about the legislative risks we've discussed today—the budget and reform proposals that directly threaten our jobs and our standard of living."

"If we all do our part to inform the membership," Rolando said, "we can be certain that many more members will step up and contribute to our common defense."

But money alone, Rolando said, is not enough. "Politicians respond most to voters and constituents back home," he said. When letter carriers visit their elected representatives' district offices, make phone calls, send letters and e-mails and show up at town halls, it sends them a message that we are voters and we care.

"In the coming battle over the 2018 budget and postal reform," the president said, "this can make all the difference in the world."

Standing up for each other

Wrapping up the session shortly after noon, President Rolando urged the leaders to take full advantage of the workshops and training to be offered over that afternoon and the following day.

"Don't leave here without getting all your questions answered," he said. "Even more importantly, take what you learn here back home to your branches."

Rolando thanked participants for coming and for their commitment to the NALC. In the battles ahead, he said, "It's important to remember why we got involved in this union to begin with."

For most of us, he said, it started very simply: "We witnessed a fellow letter carrier being treated unfairly, so we stepped up to defend that carrier."

"That's the strength of our great union," he said. "No matter what our role is, we step up and defend each other."

The full proposed agreement and the ratification ballot were mailed to all NALC members who are eligible to vote on ratification, along with a six-page summary of the agreement. A separate summary of the tentative agreement was included in the June issue of The Postal Record.

Didn't get a ballot?

The last of the ratification ballots for the tentative 2016-2019 National Agreement between NALC and USPS were mailed on June 26.

If you are eligible to vote on the proposed agreement and have not received a ballot by July 5, call NALC Headquarters at **202-393-4695** no later than 4:30 p.m. Eastern Time on July 14.

A replacement ballot will be mailed after your eligibility is verified.



More than 1,200 NALC activists attended the conference.

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Training time



Gathering hundreds of letter carriers for a national conference presents a perfect opportunity for NALC to provide training and updates. Workshops were held in the afternoon of the June 14 rap session as well as on the following morning, with activists having opportunities to receive detailed briefings on such topics as proposed contract language regarding CCAs, safety and health concerns, the dispute resolution process, local negotiations, branch administration and NALC's legislative agenda.

National Association of Letter Carriers

100 Indiana Ave. NW
Washington, DC 20001-2144
202-393-4695 | www.nalc.org

Fredric V. Rolando, *President*

EDITORIAL STAFF:
Philip Dine, *Director of Communications and Media Relations*
Mike Shea, *Designer/Web Editor*
Joe Conway, *Internet Communications Coordinator*
Rick Hodges, *Writer/Editor*
Jenessa Wagner, *Editorial Assistant*

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