

An executive order follows the president’s postal tweets

President Trump resumed his criticism of the e-commerce giant Amazon this month, placing the U.S. Postal Service in the political crossfire. This time, in addition to the tweets, the president also issued an executive order for a postal task force. On behalf of letter carriers and the hundreds of millions of Americans and businesses who rely on the Postal Service, NALC will seek to have input.

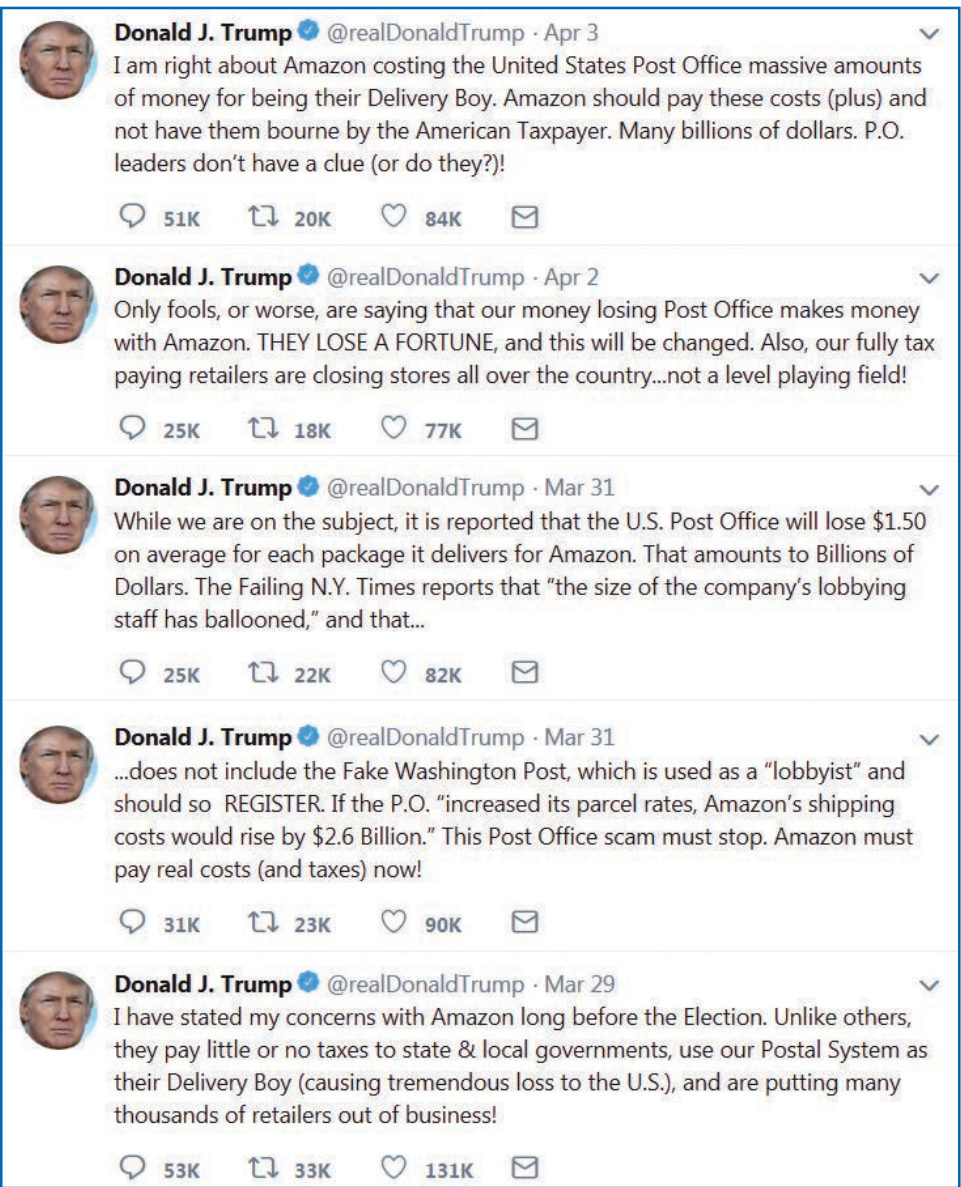
In January, NALC reported on the first of the president’s tweets directed at Amazon for allegedly exploiting the Postal Service. He charged that USPS loses money by setting prices on Amazon’s deliveries too low. As we noted then, the source of the president’s ire seems to be his objections to his coverage by *The Washington Post*, which is owned by Amazon founder Jeff Bezos.

Federal law prohibits the Postal Service from subsidizing its competitive products, such as parcel delivery, including those for Amazon. The law specifically requires that the rates for parcel delivery be sufficient to cover the Postal Service’s costs. The law further mandates that USPS earn a profit on its competitive products. Also, unlike United Parcel Service (UPS) and FedEx, the Postal Service is required by law to deliver to every address in the country six days a week.

Between March 29 and April 3, the president unleashed a stream of five tweets repeating claims about USPS losses on Amazon packages and adding the charge that Amazon is unfairly avoiding state and local taxes.

While Amazon can certainly address the tax issue by itself, letter carriers deserve to know the facts about the Postal Service with respect to the president’s tweets.

Below are the tweets that began on March 29 and ended April 3:



First and foremost, the proud men and women who deliver the nation’s mail, many of whom served in the military before coming to the Postal Service, might take umbrage with the term “Delivery Boy,” but there is no doubt that all letter carriers are proud to deliver for tens of millions of customers every day, including Amazon.

Second, as noted, it simply is not true—because the law prohibits it—that USPS loses money on Amazon deliveries. So how did this notion arise? Most likely from the discredited claim by a hedge fund investor in FedEx, using unverified data from UPS—an unfortunate episode that has been chronicled by several observers and publications.

In fact, in August of 2017, the Postal Service made clear that “by law our competitive package products, including those that we deliver for Amazon, must cover their costs. Our regulator, the Postal Regulatory Commission (PRC), looks carefully at this question every year and has determined that they do. The PRC also has noted that competitive products help fund the infrastructure of the Postal Service.”

A few simple realities emerge from the tweet storm, most notably:

- The Postal Service, by law, is self-supporting. It has not received any taxpayer subsidies since the early 1980s.
- The Postal Service’s losses since 2007 have nothing to do with parcel pricing or Amazon. As letter carriers know, nearly 90 percent of the losses since then are due to the misguided 2006 congressional mandate that requires USPS to pre-fund retiree health benefit costs 75 years in advance and pay it over a decade. No other enterprise in America is required to carry such a crushing burden.
- And, most importantly, if the president really wants to help the Postal Service, he should focus on relieving the unreasonable pre-funding burden.

Following the tweets, on April 12, President Trump issued an executive order to form a task force charged with evaluating the finances of the U.S. Postal Service, including pricing, policies and workforce costs.

The task force has been instructed to regularly consult with the postmaster general and chair of the Postal Regulatory Commission, and will be composed of department and agency heads or their designees, including chair of the task force Steven Mnuchin (secretary of the Treasury), Mick Mulvaney (director of the Office of Management and Budget), Jeff Pon (director of the Office of Personnel Management) and any other department or agency head the chair may designate.

In a report due no later than Aug. 10, the task force will provide a “thorough evaluation of the operations and finance of the USPS, including:

- the expansion and pricing of the package delivery market and the USPS’s role in competitive markets;
- the decline in mail volume and its implications for USPS self-financing and the USPS monopoly over letter delivery and mailboxes;
- the definition of the “universal service obligation” in light of changes in technology, e-commerce, marketing practices, and customer needs;
- the USPS role in the U.S. economy and in rural areas, communities, and small towns; and
- the state of the USPS business model, workforce, operations, costs, and pricing.”

Once the evaluation is completed, the task force will develop recommendations on administrative and legislative reforms to USPS. According to the executive order, recommendations will consider the views of the USPS workforce and industry.

“NALC is hopeful that the inclusion of the Postal Service workforce in this evaluation and report will provide NALC the opportunity to provide input throughout the process,” NALC President Fredric Rolando said.

“We know that 90 percent of the Postal Service’s losses are not due to improper pricing, but are the direct result of the 2006 congressional mandate to pre-fund retiree health benefits—an onerous burden that no other private or public entity in America is required to carry. NALC looks forward to working with the administration and Congress to address this issue and to restore financial stability to the agency while protecting the employees and the universal network that is so critical to Americans and their businesses, large and small.”

Deadlines for national convention

Delegate eligibility lists for the 71st biennial national convention in Detroit have been mailed to all branches. The lists must be completed and returned to Secretary-Treasurer Nicole Rhine’s office at NALC Headquarters no later than May 17 in order for branch representatives to be registered as delegates to the convention. The convention is set for July 16-20.

All proposed amendments to the *NALC Constitution* to be submitted for consideration at the convention must be received by Rhine’s office by May 17. That date is 60 days in advance of the convention, as prescribed by the *Constitution*. Proposed amendments will appear in this June’s *Postal Record* for the membership to review.

Resolutions to be considered by delegates also must be received by the May 17 deadline in order to be printed in the *Resolutions and Amendments* book provided to delegates. Resolutions received after May 17 still may be considered at the convention.

NALC and the American Red Cross will be hosting a blood drive at the national convention in Detroit. Delegates to the convention are encouraged to schedule an appointment. The drive will be on Tuesday, July 17, from 9 a.m. to 3 p.m. Go to nalc.org/convention to make an appointment.

Go to nalc.org for more convention news.

Help deliver the cure with MDA pin

A special commemorative pin will be available for sale at the MDA booth at the national convention in Detroit. The pin will highlight the partnership between NALC and the Muscular Dystrophy Association. Proceeds from the sale will go to MDA.



Bipartisan postal bill released

On March 22, Sens. Tom Carper (D-DE), Jerry Moran (R-KS), Heidi Heitkamp (D-ND) and Claire McCaskill (D-MO) introduced S. 2629, “The Postal Reform Act of 2018,” a bill that incorporates elements of both the House Oversight and Government Reform Committee’s Postal Reform Act of 2017 (H.R. 756) and Sen. Carper’s “Improving Postal Operations, Service and Transparency Act (iPOST),” which was introduced during the prior Congress. The senators will use provisions of what is known as Senate Rule 14, which will allow the bill to bypass regular committee action and instead be placed on the Senate calendar. Therefore, the bill could be called to the floor at any moment for a vote, though given congressional priorities, it appears unlikely that it will.

This bipartisan legislation contains significant improvements over prior reform efforts, including:

- Securing our country’s universal delivery system by protecting six-day mail delivery.
- Rejecting unnecessary changes to door delivery service for business and residential customers.
- Calling for a two-year moratorium on changes to service standards, giving the legislation time to work in a way that will relieve the pressure for misguided service cuts.
- Granting the Postal Service the ability to innovate, including using its networks to ship beer, wine and liquor to boost revenue.
- Exempting annuitants and their eligible spouses from the proposed mandate to enroll in Medicare Part B at age 65 if they can derive no benefit from enrolling (veterans with full VA care, native Alaskans, etc.) or if enrollment would cause extreme financial hardship.

“We thank all four senators for their creativity in developing a variation of the Medicare-based approach to postal reform,” NALC President Fredric Rolando said. “Assuming there is support for this approach from Sen. Ron Johnson, chairman of the Senate Homeland Security and Governmental Affairs Committee, and from the committee’s GOP majority, we support using this bill as the basis for further legislative action.”

The path forward for postal reform in general and this bill in particular remains uncertain, and as this issue was going to press, the financial analysis of the Postal Reform Act of 2018 had not yet been completed. NALC will monitor this bill, update letter carriers as we learn more, and continue to work with lawmakers and stakeholders through the legislative process to achieve meaningful postal reform.

Senate committee holds hearing on USPS Board of Governors nominees

On April 18, the Senate’s Homeland Security and Government Affairs Committee (HSGAC) held a hearing on the nominations of David Williams, Robert Duncan and Calvin Tucker to the U.S. Postal Service’s Board of Governors.

As letter carriers know, the USPS Board of Governors consists of a nine-member panel in addition to the postmaster general and deputy postmaster general, and is comparable to a board of directors for a publicly held corporation. The board has not been fully staffed since 2010, it has lacked a quorum since 2014, and it lost its final appointed governor in December 2016, leaving those nine positions vacant.

Much of the hearing involved HSGAC members voicing their concerns on issues ranging from the current state of the Postal Service’s finances and pricing to service-related issues (such as the Postal Service’s “universal service obligation”) to opioids. Significant time was spent questioning the nominees on how they will address issues facing the agency, given the recent interest by the administration.

During the hearing, the three nominees provided background information on themselves as well as other relevant information.

Of particular note to letter carriers during the hearing was that the nominees recognized the invaluable contribution of the workforce and expressed a commitment to working with the employee groups. In fact, all nominees cited workplace morale as a top priority, with Duncan stating that improved communication between labor and management is key to achieving that, in terms of the tone set by “the management of the Postal Board of how they work with the union representatives, but also the rank-and-file everyday member of the organization.”

Williams went further, recognizing that “the last couple years have been really rough on the Postal Service employees, and in response to that they have risen to the occasion. They were the first ones back after 9/11, after Katrina, and their morale has taken a beating, but it is extremely high. It is a very dedicated group.”

The committee is expected to advance the nominees in the coming weeks. Following committee passage, the nominees will be ready for Senate action. NALC will continue to work with the Senate and the White House administration to ensure that letter carriers’ interests are represented.

For more on the hearing, see the June issue of *The Postal Record*.

Food Drive a few weeks away

The 26th annual Letter Carriers’ Stamp Out Hunger® Food Drive, the nation’s largest one-day drive, provides letter carriers, other postal employees and thousands of volunteers across the nation the opportunity to help feed the many hungry residents in their local communities.

“Letter carriers touch every residential and business address in this country at least six days a week,” NALC President Fredric Rolando said, “so we are well aware of the staggering numbers of people in need.”

Hunger affects 1 in 6 Americans, many of them in households with at least one person working. Among those most at risk are millions of children, elderly and veterans.

“Our goal is to help restock community food banks, pantries and shelters for needy families during the summer, when the need is particularly acute because most school food programs are not available,” Rolando said.

The drive is held each year on the second Saturday in May, and so Saturday, May 12, has for months been circled on the calendars of hunger-relief advocates who have watched as food supplies donated during winter holiday drives dwindle.

“We are honored to be able to help those in need,” Rolando said.

The food drive’s national partners are the U.S. Postal Service, the United Food and Commercial Workers International Union, the National Rural Letter Carriers’ Association, United Way Worldwide, the AFL-CIO, Valassis and Valpak.

Be sure to capture the action on Saturday, May 12, by sharing your best photos and video on your Facebook, Twitter and Instagram accounts. You can help us find them by using the hashtag #StampOutHunger and making the posts public.

Branch collection results are due at NALC Headquarters by June 9. The official results form can be found on the Food Drive Tool Kit page at nalc.org, in the “For Food Drive Coordinators” section. If you have questions about the drive, get in touch with Assistant to the President for Community Services Christina Vela Davidson at 202-662-2489 or at cdavidson@nalc.org.

Keep yourself safe from the sun and heat of summer

Letter carriers should be prepared for the heat of summer. Under OSHA law, employers are responsible for providing workplaces free of known safety hazards. This includes protecting workers from extreme heat. An employer with workers exposed to high temperatures should establish a complete heat-illness prevention program that includes the following:

- Providing workers with water, rest and shade.
- Allowing new or returning workers to gradually increase workloads and take more frequent breaks as they acclimatize, or build a tolerance for, working in the heat.
- Planning for emergencies and training workers on heat-illness prevention.
- Monitoring workers for signs of illness.

Go to osha.gov/heat and read all of the information available on heat safety. This information will give you a full understanding of the dangers of working in the heat. Here, letter carriers also can download and install the OSHA and the National Institute of Occupational Safety and Health (NIOSH)’s Heat Safety Tool smartphone app. Once the app is installed, it can detect your location and provide you with the current temperature, humidity and heat index (combination of temperature and humidity). It also will provide the expected heat index for the balance of the workday.

The NALC Safety and Health page on the NALC website also provides material on heat safety. Before the heat season begins, local NALC representatives should initiate a conversation with their supervisors/managers/postmasters asking that they share their plans to prevent letter carriers from suffering a heat injury, including copies of the training materials that will be used in stand-up talks. If there is pushback, shop stewards have the right to investigate what management plans to do to prevent you from suffering harm.

For more on heat safety, see the Contract Talk column in the *May Postal Record*.



The Heat Safety Tool smartphone app

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