

Issa orchestrates ‘cynical’ and ‘mischievous’ attack on USPS



Rep. Darrell Issa

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On Dec. 19, Rep. Darrell Issa (R-CA), chairman of the Oversight and Government Reform Committee of the House of Representatives, continued his ongoing campaign to dismantle the U.S. Postal Service by introducing yet another piece of legislation that calls for eliminating Saturday letter mail delivery immediately and that would place Saturday package delivery on the chopping block within five years.

This new bill, H.R. 3801, seeks even greater delivery service cuts than does Issa’s earlier H.R. 2748, which was passed by his committee last summer on a party-line vote but has yet to be scheduled for a vote by the full House of Representatives.

“This new bill is a non-starter in terms of both merit and political support,” NALC President Fredric Rolando said. “It would hurt the Postal Service, businesses and the public, and it has virtually no support in Congress.”

If it were to become law, H.R. 3801 would immediately end Saturday letter mail delivery to the nation’s 151 million addresses, including businesses and residents. And it would phase out Saturday package delivery in an odd way: Any new delivery points added to the Postal Service’s network since Sept. 30, 2012, would lose package delivery immediately—meaning well over a million households and businesses would lose a service they now receive.

Further, all new delivery points, which typically rise by nearly a million per year in the United States, would be denied Saturday package delivery as well. Then, in 2019, all U.S. homes and businesses would lose Saturday package delivery.

“None of this makes any sense,” Rolando said. “The booming 24/7

world of Internet shopping is fueling a Postal Service recovery, and the Postal Service has even successfully expanded package delivery to Sundays for Amazon.com.”

In November, Amazon announced a Sunday delivery partnership with USPS for Amazon Prime members in more than 900 ZIP codes—primarily in the New York City and Los Angeles areas—with plans to dramatically expand Sunday service to other major metropolitan areas in 2014.

Package delivery also is the driving force behind USPS’ dramatic comeback, arriving hand in hand with a gradually improving economy. In fact, the Postal Service returned to operational profitability in Fiscal Year 2013 (which ended on Sept. 30), realizing a \$600 million profit.

That’s not to mention a strong 2013 holiday shopping—and shipping—season. In fact, USPS spokesperson Zy Richardson told *Multichannel Merchant* magazine in early January that the Postal Service had exceeded holiday volume projections with a higher-than-expected package volume increase. “This is something we have done for many years and will continue to do as our carriers work tirelessly to deliver the holidays for our customers,” Richardson wrote in an e-mail to the magazine.

Such praise for the Postal Service’s holiday success provided an interesting contrast to news reports about the difficulties UPS and FedEx encountered in handling this year’s uptick in package volume and in completing some deliveries in time for Christmas.

But if Issa’s new plan were allowed to proceed, Rolando said, not only would it stop the Postal Service’s comeback in its tracks, it would de-

grade the agency's last-mile delivery network by eliminating Saturday services, on which millions of residential and commercial customers rely.

Issa claimed that these cuts were designed to pay for the repeal of a small reduction in military pension cost-of-living adjustments (COLAs) that was included in the budget deal enacted in December. Two national publications saw through this maneuver, however: *The Nation* aptly called it "cynical," while the more conservative *Bloomberg BusinessWeek* referred to it as "mischievous."

The NALC agrees with Issa, in principle, that the federal budget shouldn't be balanced on the backs of military veterans, Rolando said. "But the congressman's bill is not the right way to do that. One-quarter of all letter carriers are veterans, and the Postal Service is this country's second largest employer of veterans. Obviously, eliminating 80,000 good jobs that offer opportunities for veterans is a poor choice for offsetting a budgetary hit on military pensions.

"Rather than stop the Postal Service's comeback by reducing service, lawmakers should revisit their mandate that USPS, alone among all public or private entities in the country, pre-fund future retiree health benefits," President Rolando said. "This unfair mandate accounted for 100 percent of USPS red ink in 2013."

Fortunately for letter carriers, a bipartisan omnibus spending bill released on Jan. 13 retained the language calling for six-day mail delivery service and also exempted disabled veterans from any pension reduction. Already approved by the House, the bill was expected to come up in the Senate for a vote after this *Postal Record* went to press, and it was expected to pass.

Another tack

Separately, in December, Issa wrote a letter to the leaders of the House Appropriations committee, urging them to abandon the decades-old budget language that required the Postal Service to deliver the mail six days a week. Striking six-day wording was needed, Issa claimed, because USPS "has now defaulted on \$16.7 billion in payments due to the U.S. Treasury."

President Rolando wasted little time in responding to Issa's letter, sending one of his own to Appropriations

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Committee Chairman Hal Rogers (R-KY) and ranking member Nita Lowey (D-NY).

"The Postal Service has not 'defaulted' on obligations to the U.S. Treasury," Rolando wrote. "Rather, it has failed to make ridiculously onerous pre-funding payments to a trust fund held by the Office of Personnel Management."

The president pointed out that USPS has already set aside \$50 billion for future retiree health benefits, while the vast majority of private companies and other federal agencies have not pre-funded at all. "Congress has failed to repeal a totally unrealistic and unreasonable pre-funding policy that has caused a financial crisis at the Service," Rolando wrote.

“The Postal Service has not received any taxpayer support in decades,” the president concluded. “And the best way to protect future taxpayers is to strengthen the Postal Service, not dismantle it. The policy change we need is reform of the pre-funding burden, not an end to the six-day delivery mandate that has been included in the financial services and general government appropriations legislation since 1983.”

In the news media

President Rolando appeared on Ed Schultz’s MSNBC TV show on Jan. 7 to discuss, among other things, Issa’s latest ploy to stop Saturday mail delivery. Rolando was a guest on Schultz’s national radio show the day before.

Also on Jan. 7, *The Washington Post* quoted Rolando in the paper’s closer look at Issa’s latest proposal.

On Dec. 19, President Rolando was quoted in some versions of a Bloomberg news service story about a postal proposal from Sen. Tom Carper (D-DE), chairman of the Senate committee with Postal Service oversight. (For details on Carper’s proposal, see last month’s *Postal Record*.)

A Dec. 30 story in *Bloomberg Businessweek* heaped praise on the Postal Service for what that publication called the agency’s “stellar performance” during the holiday shipping season, especially when compared with some USPS competitors that encountered problems with getting packages delivered to customers in time for Christmas. After noting that the Postal Service’s holiday package volume was higher this past season than it was in 2012, the *Businessweek* story quipped that “when it comes to getting stuff

to people on time in the holidays, the 238-year-old agency is tough to beat.”

Elsewhere, Kearney, NE Branch 312 President **Ken Nickerson’s** op-ed for *The Grand Island Independent* ran on Jan. 8. It also was carried by *The Kearney Hub*.

Salt Lake City Branch 111 letter carrier **Chad Mortenson** was interviewed by Family Radio’s “For The Record” public affairs program. The interview was aired over the weekend of Jan. 3-5 on Family Radio-owned stations in Colorado, Oregon, Washington and Utah.

Vermont State Association President **Jill Charbonneau’s** Dec. 30 letter to the editor of the Barre-Montpelier *Times-Argus* explained why eliminating pre-funding “is not rocket science, it is common sense.”

Miami-Ft. Lauderdale station WSVN-TV on Dec. 20 profiled several South Florida Branch 1071 members who answered children’s letters to Santa Claus.

A story about Greenwich, CT Branch 759 member **Jermaine Shirley’s** heroism was carried by numerous news media outlets, including the New York *Daily News*, *Los Angeles Times* and ABC Radio. Shirley, a newly hired city carrier assistant, was on his way to work on Dec. 18 when he smelled smoke coming from his own apartment building. After running through the building and alerting his neighbors to a possible fire, Shirley went outside and climbed on top of a single-story shed located below the building’s fire escape, from where he directed a neighbor to drop his twin infant sons, one at a time, from the fire escape’s third-floor landing to safety in the letter carrier’s waiting arms. **PR**



Jermaine Shirley (Screen grab from WPIX-TV)