



EMPTY HOUSE

Frustration reigns as 113th Congress closes

Frustration seemed to rule during the waning days of the 113th Congress. Nowhere was that more evident than with the debate over postal reform.

Action to reach a consensus on legislation to strengthen and stabilize the U.S. Postal Service came too late for a bill to advance through Congress.

“The lack of political will to set aside ideological positions—on guns and other matters—in favor of common-sense reforms doomed postal reform in December,” NALC President Fredric Rolando said.

Sadly, most of the reforms needed were contained in S. 1486, the Senate bill first introduced in August of 2013 by Sens. Tom Carper (D-DE) and Tom Coburn (R-OK). Unfortunately, that bill was weighed down by damaging and unnecessary service- and job-cut proposals that would have crippled the Postal Service’s ability to innovate and grow in the decades to come. The bill’s proposed phase-out of door delivery and grossly unfair workers’ compen-

sation cuts made progress on the bill impossible.

NALC’s plan, released last summer, contained a multi-point postal strategy that the union had worked on with the renowned Lazard Co. investment banking firm following Lazard’s in-depth analysis of postal operations.

“This comprehensive, fact-based approach to real reform offers a positive alternative to the Postal Service’s ‘shrink to survive’ mentality,” Rolando said.

The plan, detailed in the August *Postal Record*, called for specific reforms to the Federal Employees Health Benefits Program (FEHBP) as it relates to postal employees and to the way the Postal Service Retiree Health Benefits Fund (PSRHBF) is invested and financed. The plan also requested a refund of USPS’ Federal Employees Retirement System (FERS) pension surplus, a repeal of the 2014 exigent postal rate increase, preservation of the July 2012 service standards and the flexibility to offer selected new products and services through USPS’ networks.

“These proposals are designed to solve the pre-funding problem, address pension inequities and promote postal innovation,” the president said, “focusing on strengthening the Postal Service, not dismantling it.

“The other postal unions were behind it, the mailing industry was behind it, and we had real evidence that it would work,” Rolando said.

But following the pattern of gridlock that defined the 113th Congress, the conflicting agendas of our elected representatives stood in the way of compromise and agreement, he said.

Nevertheless, right up until the end of the lame-duck congressional session, NALC worked with the other three postal unions to lobby Congress for meaningful postal reform as well as to secure a legislated moratorium to prevent the closure and consolidation of 82 mail processing plants in 37 states.

Help from our friends in Congress

Although the NALC’s 11th-hour efforts in December to gain reforms and/

Please note: There will be no Branch Items, State Summaries or Retiree Reports in the February 2015 *Postal Record*. That edition will be the special annual tribute issue honoring contributors to COLCPE during 2014.

or a moratorium ultimately were unsuccessful before Congress adjourned for the year, some of our friends on Capitol Hill did stand up and help us to deliver our message.

On Dec. 4, Sens. Jon Tester (D-MT), Bernie Sanders (I-VT) and Tammy Baldwin (D-WI) each took the time to speak on the Senate floor in support of preserving the Postal Service and of a moratorium on postal facility closures. The speeches were carried nationally on C-SPAN.

“[USPS leaders think] they can cut their way to fiscal solvency and quite frankly they’re wrong,” Tester said. “What the Postal Service does need is responsible postal reform legislation.”

The Montana senator noted that the planned closures would unfairly hurt rural customers. “There are a lot of people in Congress who would like to see the Postal Service go out of business,” Tester said. “[But] it is a critical part of our daily lives.”

In September, 160 members of the House of Representatives from both parties sent a letter to the leaders of that chamber’s appropriations committee, urging them to attach a moratorium on closures to a government funding measure. On Dec. 1, 30 senators signed onto a similar missive to Senate appropriators.

“We strongly urge the USPS to delay implementation of any mail processing consolidations until feasibility studies are completed and there has been adequate time for public comment and consideration of those comments,” wrote the 29 Democrats and one Republican—Sen. Roy Blunt (R-MO). “There is no reason that the USPS cannot delay its consolidations to provide time for the public to see and comment on the service standard worksheets.”

No moratorium passed as a stand-alone measure, nor was one attached to must-pass spending bills by the end of the year. Even so, Rolando remained upbeat.

“While we worked hard on our educational campaigns and we wish the results had favored us,” he said, “we have an opportunity to make a fresh start with the incoming 114th Congress to continue our campaign and work with our allies in the postal community to educate—and hopefully influence—our representatives.”

The Postal Service’s planned service changes, set to start phasing in on Jan. 3, would effectively end overnight delivery of First Class Mail. The closures of mail processing plants will roll out more gradually, with the first three scheduled to happen by April.

On a positive note, the omnibus spending bill to keep the federal government open through September did include a mandate for the Postal Service to maintain six-day mail delivery service.

New leaders, new opportunities

As we reported in the December *Postal Record*, Republicans this month take over the majority in the Senate in the new Congress and bolster their hold on the House.

Soon after lawmakers returned to Washington, DC, following the Nov. 4 midterm elections, leaders of both parties in the House gathered to choose committee chairmen. House rules prevented Rep. Darrell Issa (R-CA) from being elected to another term as chairman of the Oversight and Government Reform Committee, the committee that has Postal Service oversight. In a contested race for that post, Rep. Jason Chaffetz (R-UT) won election to take over as chairman. Rep. Elijah Cum-

mings (D-MD) will continue to serve as the ranking member on the committee. The Subcommittee on Federal Workforce and Postal Service will be led by chairman Rep. Mark Meadows (R-NC), with Rep. Stephen Lynch (D-MA) expected to remain as ranking member.



Photo by Gage Skidmore

NALC will attempt to work with the leaders of the postal committees in the 114th Congress: Sen. Ron Johnson (R-WI), above, and Rep. Jason Chaffetz (R-UT).



Meanwhile, in the Senate, it was expected that Sen. Ron Johnson (R-WI) would take the lead of the Homeland Security and Government Affairs Committee. (Official announcements regarding Senate committee leadership posts and composition were not expected until after this magazine was prepared.) During the 113th Congress, Johnson spearheaded a failed amendment to the Carper-Coburn postal bill that, if passed, would have put USPS into bankruptcy and voided our postal collective-bargaining agreement. The current committee chairman, Sen. Tom Carper (D-DE), will become the ranking member.

Board of Governors struggles

Another casualty of congressional gridlock was a functioning Postal Service Board of Governors. The Senate failed to take up consideration of five pending board nominees as this *Postal Record* went to press. As a result, the board, which is in charge of USPS' budget and planning, will continue to operate without a quorum in January.

Contacting Rademacher

NALC President Emeritus James Rademacher has requested that *The Postal Record* update the membership on his new address (updated from the December 2014 issue). He would love to hear from NALC members. He can now be reached by mail at Salem Health and Rehab, 1945 Roanoke Blvd., Salem, VA 24153 or by phone at 540-855-9011.



A quorum is the minimum number of members needed to conduct business.

There are 11 governor positions on the board, including the postmaster general and the deputy PMG. Only three of those other nine slots were filled at press time, leaving the board one governor short of the six required for a quorum.

In July, the Senate Homeland Security and Government Affairs Committee (HSGAC) approved five nominees—Vicki Kennedy, David Bennett, James Miller, Mickey Barnett and Stephen Crawford—though Barnett, the current board chairman, had generated a measure of controversy.

Barnett, whose term expired on Dec. 8, was under fire because of a perceived conflict of interest. As the Postal Service considers the idea of offering limited banking services, some postal stakeholders worried that Barnett's past as a lobbyist for payday lenders would influence his thinking should postal banking proposals come before the board for approval.

Nominee Miller is likely quite familiar to many letter carriers: the former Reagan administration official, who has already served several terms on the board, is on record as calling for Postal Service privatization. (Another nominee, David

Shapira, went unconsidered by HSGAC during the 113th Congress.)

NALC and the leaders of the other three postal unions already had met with some of the nominees by press time, and plans to meet the other in the coming weeks.

A temporary emergency?

The Board of Governors seemed to have seen the handwriting on the wall—that Senate inaction resulting in the lack of a quorum on the board was all but guaranteed.

According to *The Hill*, the board took the unusual step in November of voting to create a temporary emergency committee made up of the remaining governors, a measure designed to allow it to still function in case the Senate failed to confirm the number of new board members necessary to give the body a quorum.

A notice published in the Federal Register said that this temporary emergency committee would retain all “powers needed to provide for continuity of operations.”

“The resolution clarifies that the inability of the board to constitute a quorum does not inhibit or affect the authority of the governors then in office to exercise those powers vested solely in the governors,” the notice said.

The Federal Register notice was issued on the final day of the 113th Congress when a last-ditch effort to seek approval for five pending board



Mickey Barnett



James Miller

Anniversary belt buckles and pins now on sale

The 125th anniversary belt buckles and pins that delegates to the national convention in Philadelphia approved to have produced are now available from the NALC Supply Department. The belt buckles, available in silver and gold, are \$10, and the pins are \$5. You can mail your order (with payment) to: NALC Supply Department, 100 Indiana Ave. N.W., Washington, DC 20001-2144 or call the Department at 202-393-4695 to order by phone.



Images are not to scale

nominations was blocked in the Senate. Sen. Bernie Sanders (I-VT) had placed a “hold” on Miller and Barnett.

A USPS spokesman said in a statement that this was the first time the board had needed to approve such a measure, and that new rule allows the board to set up similar committees in the future.

In the news media

President Rolando had an op-ed piece run on Sunday, Dec. 14, in the *Idaho State Journal*, an influential daily paper in Southeastern Idaho. The piece was in response to an excellent editorial the paper ran that blasted USPS’ proposed service reductions, calling them “scary” and saying they would not only essentially end rural mail delivery but also would “definitely change the way Americans look at mail delivery” in general. However, the editorial did not explain why such cuts would be absurd even from a financial standpoint; Rolando’s op-ed did.

Rolando had a lengthy letter in the Dec. 3 edition of *The New Orleans Advocate*, effectively responding to an editorial that the paper ran on Nov. 30. *The Advocate*’s circulation of 98,000 makes it one of the two largest newspapers in Louisiana.

On Dec. 2, Rolando had a letter run in *The Kansas City Star* in response to an editorial that properly blamed Postal Service red ink on pre-funding but then illogically called for cuts in the networks and possibly ending Saturday delivery. Rolando also publicized the large USPS profit in October, the first month of FY2015. *The Star* is Missouri’s largest newspaper, with a circulation of 200,000 that reaches beyond Missouri to nearby Kansas, Nebraska and Iowa.

Federal Times’ Nov. 14 story about the Postal Service’s 2014 financial

report had a terrific headline: “Is the Postal Service struggling? It depends on who you ask.” Only two people were cited or quoted in the story: The postmaster general (in one paragraph) and President Rolando (in four).

On Dec. 12, *The Baltimore Sun* published a thorough story about the Postal Service’s popularity among the public, particularly among young people. The story led with a letter carrier, and it quoted President Rolando to good effect about the importance of maintaining services and addressing the pre-funding “fiasco.” *The Sun* is Maryland’s dominant news source and by far biggest paper with 180,000 circulation.

A story about the heroic action of two Peoria, IL Branch 31 letter carriers aired on the “CBS Evening News with Scott Pelley” on Nov. 19. The two carriers, **Cristy Perfetti** and **Steve Plunkett**, received the NALC’s Unit Citation Heroes award last fall for their efforts; see the November 2014 *Postal Record*.

Elsewhere, Albuquerque-area letter carriers helped collect food to support KOB-TV’s annual holiday food drive on Nov. 22. A similar food drive, led by letter carriers, was held the same day in Santa Barbara, CA.

NALC Chief of Staff Jim Sauber spoke at length with the Think Progress website for a Nov. 18 story about the prospects for postal reform before the end of the year.

The Athens News noted on Nov. 19 the upcoming retirement of Athens, OH Branch 997’s **Charlie Rose**, winner of NALC’s 2012 Special Carrier Alert Award.

In one sign that our message about pre-funding’s impact on Postal Service finances is resonating, a Nov. 23 *Kansas City Star* editorial about the appointment of Megan Brennan as postmaster general (the editorial cited above to which President Rolando responded) noted in its third paragraph that USPS’ “heavy losses result from Congress mandating a \$5.6 billion annual payment for future retiree health benefits.”

According to a Nov. 21 story by *Politico*, USPS enjoys the most positive image of 13 high-profile government agencies that the Gallup polling company recently tested. Younger Americans are more likely than older Americans to review the Postal Service favorably, *Politico* found.

A positive editorial ran Nov. 10 in a small Nebraska weekly newspaper that circulates in the county seat of Chase County and surrounding communities. The piece nailed USPS finances while pushing to keep good service standards for rural America and while taking to task for his silence on postal issues the local congressman, Rep. Adrian Smith (R-NE), the chairman of the Congressional Rural Caucus. **PR**