At House hearing, NALC defends injured letter carriers' benefits

Possible changes to how letter carriers and other federal workers receive injury compensation—and potential reductions in compensation—were the focus of a May 20 hearing by the House Education and Workforce Committee's Subcommittee on Workforce Protections.

Fortunately for the entire federal workforce, NALC Director of Retired Members Ron Watson, a nationally recognized expert on workers' compensation issues, was among those called to testify at the hearing.

"The NALC welcomes the prospect of reform to the Federal Employees' Compensation Act," Watson told the committee, "provided it does not result in unfair harm to the injured workers the FECA was designed to protect.

"Any such reform should be consistent with the basic principle that injured workers should be no better off and no worse off as a result of suffering an on-the-job injury," he said.

Watson

The hearing was called to discuss the Department of Labor's (DOL) proposed changes to the Federal Employees' Compensation Act (FECA). If approved, these changes would dramatically reduce wage-replacement benefits for injured workers with dependents, benefits for widows/widowers and children of those killed on the job, and up to one-third of the benefits for all disabled workers at the time they reach retirement age.

While Committee Chairman Tim Walberg (R-MI) cited concerns that workers' comp benefits "are too generous and can discourage an employee's return to work," Leonard Howie, the DOL's director of Office of Workers' Compensation Programs who also testified at the hearing, failed to give the committee any evidence to support such claims.

Further, committee member Rep. Mark Pocan (D-WI) pointed out that more than 90 percent of injured workers actually return to the job within two years. "You've got a system where, fundamentally, people are going back to work," he said.

In his testimony, Watson asked, if the proposed changes were to go through, "What message will be sent to workers who lose their livelihoods and careers from work-related injuries?"

The director of retired members noted that some states already have been arbitrarily cutting workers' compensation benefits without regard to the consequences, and he suggested that the Department of Labor was apparently choosing to follow suit.

"The NALC supports FECA reform that meets the test of fairness," Watson said. "However, every reform proposal should be consistent, as a basic principle, with the intended remedial nature of the FECA.

"There is no evidence that FECA benefits need to be reduced," he said.

Watson's testimony drew attention to several letter carriers who suffered traumatic injuries when they were crushed between oncoming vehicles and their mail trucks. To provide a powerful illustration of this for the committee, Watson introduced the five NALC members seated behind him who had sustained such injuries on their routes: Denver, CO Branch 47's **Dan Hohenstein;** Columbus, OH Branch 78's **Doug Poole;** Seattle, WA Branch 79's **Keith Wagner;** Garden Grove, CA Branch 1100's **Joel Cabrera** and New Hampshire Merged Branch 44's **Dave Betts.**

Alongside the letter carriers at the hearing was Shirley Rondeno, widow of New Orleans, LA Branch 124's **Roy Rondeno,** who died in 2009 from similar injuries he sustained on the job.

"It angers me that anyone would propose to reduce payments to injured workers who want nothing more than to recover and return to work ASAP," Cabrera told *The Washington Post's* "Federal Diary" columnist Joe Davidson. "Since I was lucky enough not to lose my legs and life, I was determined to return to the route I had been doing the past 30 years." Cabrera's legs were crushed by a crash in 2013 as he worked some mail at the back of his LLV. He returned to casing duties in April, but he is not yet able to carry mail.

Drawing attention to Hohenstein in particular, Watson scoffed at the notion that FECA benefits provide any sort of vacation.

"If Dan had not suffered that catastrophic injury in January 2011," Watson said, "for the period beginning that date until he returned to full-time work in 2014, he would have earned tens of thousands of dollars in overtime, he would have received thousands of dollars in matching [retirement] funds from the Postal Service, he would have banked thousands of dollars of value in sick and annual leave.

"He lost all of those benefits, and more, solely because he suffered an on-the-job injury," Watson said.

NALC Director of Safety and Health Manuel L. Peralta Jr. highlighted the plight of these and other injured workers during last summer's convention in Philadelphia. You can find that story in the August 2014 *Postal Record*, available at nalc.org.

Future plant closures on hold for now

Citing "a barrage of pressure from across the spectrum of postal stakeholders," *Government Executive* joined other news sources in May in reporting that the Postal Service has postponed indefinitely the scheduled closures of mail-processing plants.

"Letter carriers have been a consistent part of that group of interested postal parties," NALC President Fredric Rolando said, "and we have done our best to spread this message in communities big and small: that not only would such closures hurt the Postal Service, but they're not financially justified and, in fact, would be counterproductive."

The Postal Service recently removed the dates for the scheduled closure of dozens of plants, marking them now as "to be determined."

"This is great news for all postal workers," Rolando said, "but in a perfect world, the plants that have already closed would reopen.

"We still have an issue with the Postal Service's changes in its service standards, and the effect that that has had on the delivery of the mail," he said.

In January, USPS reduced its service standards by eliminating overnight delivery of in-town First Class Mail, and it slowed two-to-three-day service to three-to-five-day service.

"It's important that we to return our previous service standards," Rolando said. "And besides, cutting and slowing service makes no sense, especially considering that the Postal Service has reported an operational profit over the past year and a half."

In fact, for the second quarter of Fiscal Year 2015 (covering January, February and March), USPS reported a $313 million operating profit—an increase of $52 million and 20 percent over the results for the second quarter of Fiscal Year 2014. That lifted its operating profit figures for the first half of FY 2015 to $1.437 billion.

Continuing to cloud this otherwise sunny financial news is the impact on postal finances of pre-funding—the 2006 congressional mandate that requires the Postal Service to set aside billions a year to pre-fund decades' worth of health benefits for future retirees.

Watson introduced several injured carriers and spouses at the hearing.

This requirement is unique to the Postal Service.

"By focusing on the manufactured financial crisis caused by pre-funding, rather than on growing its business," Rolando said, "the Postal Service continues to create hardships for its customers and to drive more and more of them away."

Meanwhile, a June report by the Postal Service's Office of Inspector General (OIG) said that USPS' methodology for determining plant closures and consolidations needs to be more transparent.

The report said that the Postal Service had not come up with an actual time frame for putting consolidation plans into effect, and that study data related to its closure plans for individual plants was two to four years old.

House roundtable discusses pre-funding

On May 18, Senate Homeland Security and Government Affairs Committee (HSGAC) Ranking Member Tom Carper (D-DE) hosted another in a series of discussions about the challenges the Postal Service faces—this time, in rural communities.

"As we discuss crucial issues, we must not lose sight of the people who are impacted by how we respond," said National Rural Letter Carriers' Association counsel Jean Marc Favreau in his opening statement at the meeting. "When we talk about cutting days of delivery or service standards, we're really talking about chipping away at the things that make the Postal Service work—that evoke the trust of the American people.

"The Postal Service is a *service*," Favreau said, "and you can't expect to cut and get more."

Committee member Sen. Jon Tester (D-MT) agreed. "By reducing services, making product deliveries less timely and increasing the burdens on customers, it's difficult to see a good path forward for the Postal Service," he said.

"Congress can ensure that the Postal Service becomes financially solvent by making a few basic policy changes," Tester said, "so the USPS can remain an important part of rural communities into the future." After the meeting, the senator's office issued a press release that further noted his support for changing the pre-funding requirement, highlighting the fact that no other federal agency or private employer has to pre-fund.

Meanwhile, Favreau told those at the meeting that his union is in agreement with its brothers and sisters in the city carrier craft on some ideas put forth in a similar meeting on May 12.

"In considering the Postal Service's future," he said, "the NRLCA supports the proposals that Jim Sauber of the NALC put forward last week, including the suggestion that Congress direct [the Office of Personnel Management] to invest the Postal Service Retiree Health Benefits Fund in a diversified portfolio of private-sector stocks and bonds."

Sauber, NALC's chief of staff, said in that earlier meeting that making such an investment change "will bring greater gains and allow OPM to generate more funds to be better equipped in responding to projected increases in Medicare." He also addressed the importance of fixing the pre-funding mandate.

'Fast Track:' Down but not out

The House of Representatives voted on June 12 to reject a trade adjustment assistance (TAA) bill, a surprising move that applied some much needed brakes to the more contentious Trade Promotion Authority (TPA) legislation—the so-called "Fast Track" bill that called for granting a president, current or future, the authority to approve trade agreements quietly, without first giving Congress a chance to review or amend such agreements

A combined TAA-TPA package had been approved by the Senate before the Memorial Day recess. But a few days before the House took up the package in June, the chamber passed a procedural

Pennsylvania and New Jersey congressional delegations

In May, letter carrier activists from the states of Pennsylvania and New Jersey came to Washington, DC, to lobby their congressional representatives on postal issues. Pictured below (l-r, from top) are Pennsylvania Reps. Patrick Meehan (R), Tom Marino (R), Matt Cartwright (D) and Charlie Dent (R), who attended a May 15 congressional breakfast.

President Rolando thanked New Jersey carriers at a rap session held on May 21 for coming to Washington, DC, to lobby their representatives.

move that required representatives to break the package apart and consider TAA as a separate bill first. Under House rules, only if TAA had passed would the House have been able to move on and consider the Fast Track piece.

As it happened, TAA was voted down by a definitive margin of 302 to 126—even after President Obama personally visited Capitol Hill to lobby for its support.

Next, even though this disapproved TAA should have spelled the end of further consideration of Fast Track, the House proceeded anyway to consider—and approve—its own stand-alone Fast Track bill. This was mainly a symbolic win, however; since the Senate had approved a joint TAA-TPA package, there appeared to be the slimmest of chances that it would be inclined to take up this separated, House-approved Fast Track bill without the TAA attachment.

Fast Track was not completely dead at this point, though. Over the following week (and after this *Postal Record* went to press), there were attempts in the House to find some path for pushing through a version of a Fast Track package that could make its way to the Senate for another round of consideration—or so hoped House leaders.

What's so wrong with Fast Track? "It's a dangerous idea for many, many reasons," President Rolando said, "not least of which is the way it could open the door for a whole host of new threats against the U.S. Postal Service and letter carrier jobs."

The Trade in Services Agreement (TiSA), for example, contains a call to privatize the USPS, while the Transatlantic Trade and Investment Partnership (T-TIP) wants the agency's monopoly on delivery of letter mail—with its roots in the Constitution—to be phased out. TiSA also has language in it that, if approved, could jeopardize package delivery service as part of the agency's universal service obligation—and package delivery has been crucial to the Postal Service's financial recovery in recent years. And the Trans-Pacific Partnership (TPP) would prevent USPS from being allowed to use its vast postal retail network to offer low-cost banking services for the tens of millions of Americans who are unbanked or under-banked.

Thanks in part to the flood of calls from members of the NALC and our fellow AFL-CIO unions, Rolando said, these particular threats have been set aside for now. But he warned that our work on Capitol Hill is far from finished.

"At this point, this rejection represents a clear victory for all of this country's workers," President Rolando said. "Trade agreements should be negotiated out in the open, where Congress can scrutinize and amend them if necessary.

"We can take pride in knowing that organized labor still has a voice, and a say, in how things work in Washington," he said. "We will need to stay just as vigilant, and just as vocal, as new postal reform measures get introduced in the coming weeks."

In the news media

President Rolando had the lead letter to the editor in the June 10 *Kingman Daily Miner*, in response to a story the Arizona newspaper ran on May 24 about the fight to save the downtown post office. The president provided broader perspective on USPS finances, explained to local residents what's at stake for them, and urged them to tell their congressional representatives to protect the networks and fix the actual problem.

On June 10, Washington, DC-based Federal News Radio published a letter to the editor from Rolando that responded to a story the station ran on June 3 about USPS' delaying of plans to close processing plants. That story contained some of the misleading conventional wisdom about postal finances, and Rolando's letter set the record straight on the Postal Service's finances and outlook.

In a June 9 story for *Forbes* magazine about Postmaster General Megan Brennan, President Rolando was the most-quoted person (other than the PMG). He agreed with Brennan's statement that, while electronic diversion of First Class Mail had hurt the Postal Service, technology also is helping USPS. "While the Internet took a lot away, the Internet is giving it right back," he said. "People are changing the way they shop. I envision brick-and-mortar stores at some point being just showrooms for people to go in and touch and feel. Young people especially are getting on their phones to order groceries. You're going to see all kinds of products people will want delivered." The story also ran on a PBS website.

Rolando had a letter to the editor in the June 9 edition of the *Southeast Missourian*, responding to a lengthy story the paper ran on June 2 about the local mail-processing plant in Cape Girardeau staying open through the year. The president explained the bigger postal picture to readers, including what's at stake with USPS' plans to degrade service.

In another letter to the editor, this time in the June 2 *Toledo Blade*, Rolando provided context to a recent story about the Toledo City Council president demanding that the Postal Service restore to Toledo the sorting of the city's outbound mail. (Following the recent closing of the distribution plant there, mail is routed to Detroit for processing.) Rolando wrote about how USPS wants to generally degrade service, including ending Saturday and door delivery, and about the absurdity of doing that when USPS' networks and services are increasingly profitable.

President Rolando had a letter in the Sunday, May 31, *Florida Times-Union*. The Jacksonville paper had a news story on May 27 about the slowing of the mail. Rolando's letter put the delayed mail in the broader context of threats to Saturday and door-to-door delivery.

The president had a letter in the *Lubbock Avalanche-Journal* also on Sunday, May 31. The letter rebutted an editorial that the Texas paper ran on May 27 calling for ending Saturday delivery. Rolando's letter explained the mounting operating profits and how prefunding is the real cause of the red ink, and he showed how service cuts would deprive local businesses and residents of important services.

The May 25 *Omaha World-Herald* ran a letter from Rolando that referred to the paper's detailed news report on the slowing of the mail in Nebraska, the region and throughout the country. The president used the opportunity to expand the discussion beyond the closing of processing plants to Saturday and door delivery.

Region 4 National Business Agent Roger Bledsoe was interviewed by radio show host Gwin Faulconer-Lippert for a program that aired on Sunday, May 24, over Oklahoma City's KTOK-AM.

Merced, CA Branch 1340 letter carrier **Penny Guillory** was honored recently by the Postal Service. On her way to work in February, Guillory stopped to perform life-saving CPR on a woman who was having a heart attack. A story about her recognition ran in the June 5 *Merced Sun-Star*.

Idaho State Association of Letter Carriers President **John Paige** had a letter to the editor in the June 4 edition of the *Twin Falls Times-News*.

Carmel, IN Branch 888 President **Ronnie Roush** had a letter to the editor in the May 13 edition of the *Kokomo Tribune*. Roush's letter also ran subsequently in three other Indiana newspapers: *Current in Noblesville*, the *Marion Chronicle-Tribune* and the *Martinsville Reporter-Times*.

Duluth, MN Branch 114 retired letter carriers **Gaynelle Johnson** and **Arden Stabs** had a co-written letter to the editor published in the May 9 *Duluth News Tribune*. **PR**

Department of Government Affairs

Our vision for our rebranded PAC

The NALC political action committee (PAC), currently named Committee on Letter Carrier Political Education (COLCPE) has helped us to ensure that we get elected to office the right candidates who will fight for the issues that matter most to letter carriers. Our PAC has been a long-standing mechanism allowing us to come together to support common interests of letter carriers. It has been so much more than a way to contribute money to candidates—it's a great tool for educating others on the issues and interests of letter carriers. Our PAC also gives letter carriers an accessible way to get involved for the first time in civic and political engagement.

Over the years, letter carriers have noted that the name of the NALC's PAC should be more synonymous with who we are as letter carriers, union members and USPS employees. Last summer, at NALC's 69th biennial convention in Philadelphia, President Rolando embraced this notion by soliciting suggestions from the delegates to rename our PAC. And next month, our PAC is getting a brand new name and logo. We'll officially unveil the rebranded PAC at the 2015 rap session in Houston.

Our new name will be a more direct link to you and the work you do day in and day out, and it will clearly identify the 277,000 members of the NALC. It will help drive a more unified solicitation campaign to encourage you to join us in this cause. Most importantly, our PAC will continue to be our unified voice to advocate for change.

We can't wait to share it with you. PR