

PRESIDENT FREDRIC V. ROLANDO  
2014-2016 BIENNIAL REPORT

# SOLIDARITY in ACTION



This report is hereby submitted to the officers and delegates to the 70th Biennial Convention of the National Association of Letter Carriers, AFL-CIO, Los Angeles, CA, Aug. 15-19, 2016, pursuant to Article 9, Section 1(k) of the *Constitution of the National Association of Letter Carriers*.

Detailed information pertaining to many of the National Association of Letter Carriers' most important activities can be found in the following pages and in the reports of my fellow officers. I am grateful for their efforts in fulfilling their responsibilities with diligence and competence. My role has been to coordinate and supervise their activities, set an overall direction for this great union and, in a number of key areas, provide direct, active and assertive leadership in the best interests of the members of the NALC and, where appropriate, the U.S. Postal Service as well.

A handwritten signature in yellow ink, appearing to read "Fredric V. Rolando".

President Fredric V. Rolando



A rally held in New York City on Nov. 14, 2014

**W**elcome, brothers and sisters, to Los Angeles and to the 70th Biennial Convention of the National Association of Letter Carriers. For good reason, California is known for shaping America's future. With the center of both the nation's entertainment and technology industries firmly in place here, the beta version of America's future is often invented in the Golden State. The transformation of America—from a manufacturing powerhouse into a services and technology-based economy—was predicted by changes that happened in California first. It goes beyond economic change; it also extends to politics. The Reagan revolution of the 1980s got started here in the 1970s, just as how the multiracial Obama coalition that emerged in the first decade of this century took shape in places such as L.A. at the end of the last century. So it is fitting for our great union to once again convene in California this year to plot our future.

A lot has changed since NALC last gathered in Los Angeles, on Labor Day in 1941. The big issue before that convention was whether letter carriers could convince Congress to enact “longevity” wage increases—what we call “step” increases. Another goal in 1941 was to get legislated a rule that required the Post Office to schedule a carrier's eight-hour day within a nine-hour period, because carriers often were forced to work split shifts that kept them on the job for 12 or more hours each day. Back then, the union also was fighting to win the right to appeal employee dismissals at the U.S. Civil Service Commission, an early form of Article 16. The city carrier job was just as tough as it is today, but the pay and conditions were much worse.

In 1941, unbeknownst to delegates in attendance, the country was about to enter World War II. America

was not yet a global superpower, but it was in the process of becoming one as L.A. transformed itself to produce ships and airplanes for the British war effort in 1939 and 1940. Not too far from here is Rosie the Riveter Park in Long Beach, where the Douglas Aircraft Company built more than a third of all the war planes produced in America during the war. More than 90,000 Angelinos worked in shipbuilding at that time, building the strongest navy in history. With those economic changes, and thanks to the New Deal's Wagner Act, Los Angeles bloomed as a great center of the American labor movement. The unions in this city helped create the postwar prosperity that made possible companies such as McDonnell Douglas, Lockheed, Hewlett-Packard, Xerox—and eventually Apple and Microsoft.

Today, Los Angeles is once again on the leading edge of the U.S. labor movement, even though much of the shipbuilding and aerospace industry is gone. But where unions have struggled in other cities that have been deindustrialized, the labor movement in L.A. is pointing the way forward. The entertainment unions never went away, and our own Los Angeles Branch 24 is one of the best union locals in America, but other labor leaders in this city have pioneered a new way to organize workers in the service sector, a path that shows great promise for the rest of America. Citywide coalition-building and community organizing, by the Los Angeles Alliance for a New Economy and the L.A. Federation of Labor, have dramatically increased union density in Los Angeles. The unions here are organizing hotels, public transit and major tourist centers such as the L.A. Live neighborhood where we meet this year. Labor groups, environmental groups and civil rights groups for immigrants are working together to make life better for working people in this city. They have given true meaning to the theme of this 70th Biennial Convention: *Solidarity in Action*.

## INTRODUCTION

In many religious traditions, people are taught that faith is not enough; it must be combined with good works. A similar thing can be said about solidarity: We can feel empathy for our fellow workers, but it takes action to make solidarity real. Joining a union, contributing to its activities, volunteering to be a steward, standing up for your fellow letter carriers as arbitration advocates, looking out for injured co-workers—these are actions that give “solidarity” meaning. During the week of Aug. 15-19, we aim to take inspiration from L.A. and from the progress we have made as a union since the Philadelphia Convention to put *Solidarity in Action*

over the next two years. Our goal is straightforward: to make life better for America’s letter carriers.

Conditions for progress toward this goal have improved in a number of ways since our last convention. First, the Postal Service’s recovery from the Great Recession has strengthened. The economy in the U.S. continues to grow, and job creation has chugged along at a moderate pace. Fortunately for us, the e-commerce boom shows no sign of stalling, and the Postal Service’s share of deliveries of online purchases continues to grow as well. USPS package deliveries have surged by 22 percent since 2013, and total shipping revenues topped \$15 billion in 2015. Combined with stable letter-mail volumes, this boom has helped the Postal Service

### **The Legacy of the PAEA: USPS Finances Since 2006 (\$BILLIONS)**

<b><u>Year</u></b>	<b><u>USPS Reported Net Income/(Loss)</u></b>	<b><u>PSRHB Pre-Funding</u></b>	<b><u>Actuarial Adjustments for Workers’ Comp and Other Liabilities</u></b>	<b><u>Operating Income/(Loss)</u></b>
2006 (pre-PAEA)	\$0.9	\$0.0	-\$0.4	\$1.3
2007	-\$5.1	-\$8.4	\$0.1	\$3.2
2008	-\$2.8	-\$5.6	-\$0.2	\$3.0
2009	-\$3.8	-\$1.4	-\$1.1	-\$1.3
2010	-\$8.5	-\$5.5	-\$2.4	-\$0.6
2011	-\$5.1	\$0.0	-\$2.4	-\$2.7
2012	-\$15.9	-\$11.1	-\$2.4	-\$2.4
2013	-\$5.0	-\$5.6	\$0.3	\$0.3
2014	-\$5.5	-\$5.7	-\$1.2	\$1.4
2015	-\$5.1	-\$5.7	-\$0.5	\$1.2
2016 (2Q)	-\$1.7	-\$2.9	-\$0.6	\$1.8
TOTAL Since PAEA	-\$58.5	-\$51.9	-\$10.5	\$3.9
<b>Note: Percent of Total USPS Reported Losses Due to PSRHBF Prefunding: 89%</b>				

record billion-dollar operating profits in 2014 and 2015—and a \$1.6 billion operating profit in the first half of 2016. (Of course, these profits were wiped out by the onerous retiree health pre-funding payments enacted by Congress in 2006; I'll get to that below.) These positive operating trends not only have led to growth in the city carrier craft for the first time in a decade, they also have also allowed us to take advantage of the union's most important achievement in the Das arbitration award: a path to career employment for non-career city letter carriers. Since that award took effect in January of 2013, more than 35,000 non-career city carriers (former transitional employees [TEs] and new city carrier assistants [CCAs]) have secured career appointments—i.e., jobs with security, decent pay and excellent benefits.

Second, there was a change in leadership at the Postal Service that, at least initially, has set a more positive and hopeful tone in our relations with top postal management. Patrick Donahoe retired as postmaster general in February of 2015 and was replaced by USPS Chief Operating Officer Megan Brennan. A former letter carrier from Pennsylvania (and briefly a member of NALC), Brennan has been a breath of fresh air. She's pragmatic and straightforward, a polar opposite of the arrogant and inflexible Mr. Donahoe. The change didn't solve all of our problems with postal management, but at least USPS has a leader with whom we can engage in a professional manner. As I will discuss below, that engagement has paid off most on the legislative front, where a spirit of cooperation has helped us to advance the goals of the industry coalition that NALC has painstakingly built over the past four years. Time will tell whether there will be a similar payoff on the bargaining front (which I will also discuss below), but at least now we have a chance for progress with the new postmaster general.

Of course, there also have been setbacks. The disappointing results of the 2014 mid-term elections caused a change in the leadership in the Senate that slowed our progress toward desperately needed postal reform legislation. A number of strong friends in Congress lost their elections, most notably in the Senate, which now has a Republican majority. Sen. Ron Johnson (R-WI) became chairman of the Senate Homeland Security and Governmental Affairs Committee, our oversight committee. His position on postal reform during the prior Congress (2013-2014) was very hostile to our interests; his solution to the congressionally manufactured financial crisis caused by the pre-funding mandate was to place the Postal Service into bankruptcy and void the agency's contracts with NALC and the other postal unions. So far, Chairman Johnson has shown very little interest in fixing the Postal Service, deferring leadership on the matter to his ranking member, Sen. Tom Carper (D-DE), and to House Republicans on that chamber's Oversight and Government Reform Committee. I will report extensively on these developments below.

**With Postmaster  
General Megan  
Brennan**



Another setback was the expiration in April 2016 of the 4.3 percent exigent surcharge on postage rates, a loss of about \$2 billion in annual revenues according to USPS projections. We had worked with allies in the mailing industry to draft a legislative reform plan that would have maintained the exigent increase to preserve the financial stability of the Postal Service, positioning us well for the review of the rate-making process in 2017 by the Postal Regulatory Commission (PRC), a review mandated by current law. The USPS petitioned the PRC to make the increase permanent, arguing that, with the 4.3 percent surcharge, the Postal Service would continue to be operationally profitable. But the PRC rejected the request. So, on April 10, postage rates fell, complicating both our legislative efforts and our collective-bargaining efforts. In the end, however, the expiration will not matter, either for our legislative goals or for our bargaining goals. The PRC will have to set rates at appropriate levels to cover costs. Moreover, the Postal Service finished 2015 with cash reserves sufficient to see us through the review.

Third, the political situation in Congress has continued to deteriorate. The partisan gridlock and dysfunction that prevailed when we met in Philadelphia in 2014 remains unresolved. The GOP simply does not have the ability to govern as a majority party. Despite having the largest majority in 72 years, Republicans in the House of Representatives have not been able to enact budgets or appropriation bills. A group of 30 to 40 radical conservatives, hell-bent on dismantling the federal government, has hamstrung the Republican Party, and its leaders will not negotiate with Democrats and pass legislation with a bipartisan majority except in extreme cases. A government shutdown was averted when Speaker of the House John Boehner (R-OH) reached a two-year budget deal with Minority Leader Nancy Pelosi (D-CA). Soon after, he resigned from office. Since then, Congress has not been able to pass anything. This has made it very difficult to address even relatively non-controversial topics such as the

Postal Service. But as I will outline in the legislative section below, there has been some progress on the House side of Capitol Hill that could pay off next year, if not before Congress adjourns at the end of this year.

Despite these setbacks, the environment NALC faces in 2016 is much better than it was when we met in Philadelphia. More importantly, our union is better organized and stronger today than it was then. At the bargaining table, in the halls of Congress, in the field and within our branches we are putting *Solidarity in Action*. All of this is outlined in this, my fourth biennial report to the national convention.

## REPORT OF THE OFFICE OF THE PRESIDENT

The bulk of this publication will be made up of reports from the NALC's national and regional officers. However, the first section will highlight the exceptional work of the union's Headquarters departments and staff members as well as a report on my own activities. I want to highlight four specific areas of *Solidarity in Action*: collective bargaining, legislative and regulatory affairs, politics and union-building.

National Agreement with USPS. Those MOUs effectively operationalized the pathway to career status for city carrier assistants (CCAs), the new non-career workforce established by the award to replace casuals and transitional employees (TEs). Soon after the Philadelphia Convention, we extended those MOUs and focused on issuing a revised *Joint Contract Administration Manual (JCAM)*, which was published in September of 2014. We also went to work on reviving a joint route adjustment process—the City Delivery Route Alternative Adjustment Process, or CDRAAP—after deadlocking over the issue for a number of years. Further, we continued to work with management to address service and safety problems in targeted cities across the country. The parties focused on proper staffing protocols and on changes in transportation planning, to reduce the risks of delivering mail after normal working hours and to address other safety concerns.

Soon after we adjourned the 69th Biennial Convention, we accelerated our preparations for the next round of collective bargaining to replace the 2011-2016 contract that was set to expire in May of 2016. We've monitored the labor market, we've analyzed data on the

work hours, pay and benefits of letter carriers and other workers, and we've organized working groups to address dozens of issues in preparation for negotiations.

Shaping the context of this year's negotiations were not just the factors outlined in my introduction with respect to congressional gridlock and the end of the exigent rate hike. Also relevant was the state of negotiations with two other postal unions, whose contracts expired in 2015, one year earlier than our own contract. The National Rural Letter Carriers' Association (NRLCA) negotiated a new contract in 2015 and ratified it earlier this year. The American Postal Workers Union

(APWU) worked very hard to reach a settlement, but a voluntary agreement proved impossible to conclude, sending the parties to interest arbitration.

We congratulated the NRLCA, and we offered our solidarity, encouragement and assistance to the APWU as it litigated its contract. As this report goes to press, we know the terms of the rural carriers' contract, but we do not know those of the APWU's agreement. An award could come any time. Still, neither the terms of those contracts nor the external political factors mentioned above will dictate what happens in our negotiations. City letter carriers and our issues are unique, and our contributions to the success of the Postal Service are unique. So our contract will be unique. With that in mind, we initiated bargaining this year unencumbered by the other unions' contract talks.

Formal bargaining for the 14th National Agreement



The opening of negotiations for a new National Agreement

## COLLECTIVE BARGAINING IN ACTION

For more than 45 years, the NALC and the U.S. Postal Service have been partners in formal collective bargaining, as regulated by the National Labor Relations Act and as mandated by the Postal Reorganization Act. Over that time, our bargaining relationship with USPS has matured through 13 rounds of contract talks. We transitioned from negotiating three-year contracts with highly formalized rounds of bargaining involving multiple unions to negotiating on our own contracts of varying lengths interspersed with near-continuous engagement with management through a variety of special task forces and workgroups.

In Philadelphia, we focused on the recent negotiation of a number of memorandums of understanding (MOUs) intended to facilitate the implementation of the Das award that had set the terms of our 2011-2016

since 1970 opened on Feb. 19, 2016, at the NALC Headquarters building in Washington, DC. I made it clear at the opening that NALC was committed to reaching a mutually acceptable collective-bargaining agreement and would work in good faith to achieve one. I thanked Postmaster General Brennan for the cooperation she has exhibited on the legislative front, and I let her know that, while what happens on Capitol Hill would shape the environment for bargaining, it would not alter our views about an acceptable contract. I told her the same held for the PRC's decision to end the exigent rate increase in April. In fact, I made it explicit:

The men and women letter carriers of the United States Postal Service have earned a reasonable increase in their wages and protection of their health insurance and other basic terms and conditions of employment. *This will not be a concessionary agreement.* We should not waste our valuable time, energy and resources, or yours, in pursuit of that which will not be.

Elements of our collective-bargaining agreements that have stood the test of time should not be tampered with. [Cost-of-living adjustments], the no-layoff clause, contracting out provisions are not Holy Scripture, but to letter carriers, they are close. We would be well advised to approach those existing provisions with great respect and caution.

We both know we have workforce issues. We have a non-career workforce with an unacceptably high rate of turnover due to inadequate working conditions, compensation and benefits. There is every reason for us to study these issues in great detail and to be creative in fashioning solutions.

We also have *workplace* issues. Beyond matters of staffing, safety and service, we must address a workplace culture plagued by stress and, often, dysfunction. It's well past time to put our heads together to make permanent, sustainable improvements. The ongoing transition with the Postal Service—what we do, how we do it, when we do it—has made addressing these matters even more important. We need to spend quality time and make every effort to discuss these and other issues in a non-adversarial, problem-solving manner.

On some issues, there should be no positional bargaining: suicide rates, accident rates or protection against violence. Together, we can and must do better.

Finally, I made it equally clear that we were preparing to contest the issues in interest arbitration if we could not achieve our goals through a voluntary agreement. Indeed, we promised to pursue our new contract on dual tracks. Even as negotiations have progressed, we have also been diligently preparing for the possibility of interest arbitration. We have engaged financial advisers, as well as a number of academic and professional consultants, to help us gather evidence and prepare arguments to make our case on a whole range of issues should interest arbitration become necessary.

I am happy to report that the quality of this round

of negotiations has been very good. Over the three months between the opening of bargaining and the scheduled expiration of the current contract on May 20, 2016, the parties engaged in a most professional and constructive way. That is not to say that the process has been easy. There are many very difficult issues to resolve, and while we are not bound by what happens with the other unions, it is clear that the Postal Service is taking those other contracts into account.

We created more than a dozen subcommittees on various subjects and articles of the National Agreement, with the NALC's resident officers leading up our side of the talks and with the assistance and participation of the rest of the Executive Council and various members of both our professional and letter carrier staffs. Those subcommittees and their leaders have met dozens of times. Meanwhile, I focused my energies on the key economic provisions of the contract at the main table: wage increases, cost-of-living adjustments (COLAs), the CCA workforce, leave issues, health benefits, staffing and workplace culture. To deepen the level of the negotiations, we scheduled two weeks of round-the-clock talks this year instead of just one week. We sequestered ourselves in a DC hotel, first in mid-March and then again for the week before the contract expired on May 20.

We made good progress on many articles and we narrowed the topics to focus on issues of strong mutual interest. Indeed, we made sufficient progress to extend the talks beyond May 20 while leaving the terms of the 2011-2016 contract in place. As this goes to press in early July, NALC remains committed to bringing these negotiations to a successful conclusion. My goal is to reach a contract that can be ratified by a large majority of our active members. Given our past experience, we remain hopeful but realistic. If we should need to resort to interest arbitration, as we have for six of our 13 previous contracts, we will do so. The brothers and sisters we represent deserve our very best efforts—and they will get them.

## LEGISLATIVE ACTION

As I mentioned at the outset, the main focus of the letter carriers who met in Los Angeles in 1941 was on convincing Congress to enact legislation to achieve things that we now take for granted as matters of collective bargaining: longevity pay, scheduling and due process for fired workers. Indeed, in those days, Congress micromanaged the Post Office and decided virtually every major and minor aspect of labor relations in delivery stations across the country. NALC really had to excel at lobbying Congress to make progress for its members. It really was “collective begging,” not collective bargaining—and we had to be world-class beggars.

Thanks to the men and women who came before us, and thanks to generations of NALC activists who came to prior conventions, today we have the right to bargain collectively. But that does not mean we no

longer have to excel in legislative activism. Not only does Congress have the power to give or to take away our rights to organize and to bargain collectively over wages, overtime and paid leave, it also holds the power:

- to seat our board of governors;
- to appoint our regulators;
- to delineate the services we provide and on what frequency;
- to define the scope of the Postal Service's monopoly;
- to set the levels and scope of our pensions and health insurance;
- to establish (or eliminate) our system of workers' compensation for employees injured on the job; and
- to honor (or not) the benefits earned by hundreds of thousands of retired postal employees, regarding health care, pensions, Social Security and Medicare.

If you wonder why we put so much energy into legislative action, just re-read that list one more time.

Over the past two years, we have sought both to advance and to defend the interests of letter carriers—active and retired alike—on Capitol Hill and within the Postal Regulatory Commission.

As has been the case since at least 2010, one of the NALC's top priorities has been to convince Congress to enact sensible postal reform legislation. At the same time, we've promoted congressional resolutions on preserving both Saturday delivery and door delivery, and we've fought off multiple legislative threats to our interests. A summary follows.

## POSTAL REFORM

NALC has continued to lead and expand the labor-business coalition, developed before the Philadelphia Convention, to advance targeted postal reform legislation. That legislation would:

- resolve the retiree health pre-funding mandate by increasing participation in Medicare and allowing us to invest our retiree health fund in a sensible manner;
- provide fairness in our pension valuations;
- stabilize our finances by making the 4.3 percent exigent increase enacted after the Great Recession permanent; and
- expand the scope of non-postal services the Postal Service is permitted to provide (including the delivery of beer, wine and spirits).

The biggest step forward was to convince the new postmaster general to join our coalition. Megan Brennan did just that, agreeing to drop her predecessor's insistence on including in any reform bill the elimination of Saturday delivery. She also worked with the unions to address the issues of plant closings and service issues outside of any postal reform bill, first by placing a moratorium on plant closings and then by agreeing to battle over the issue of service standards in the appropriations process.

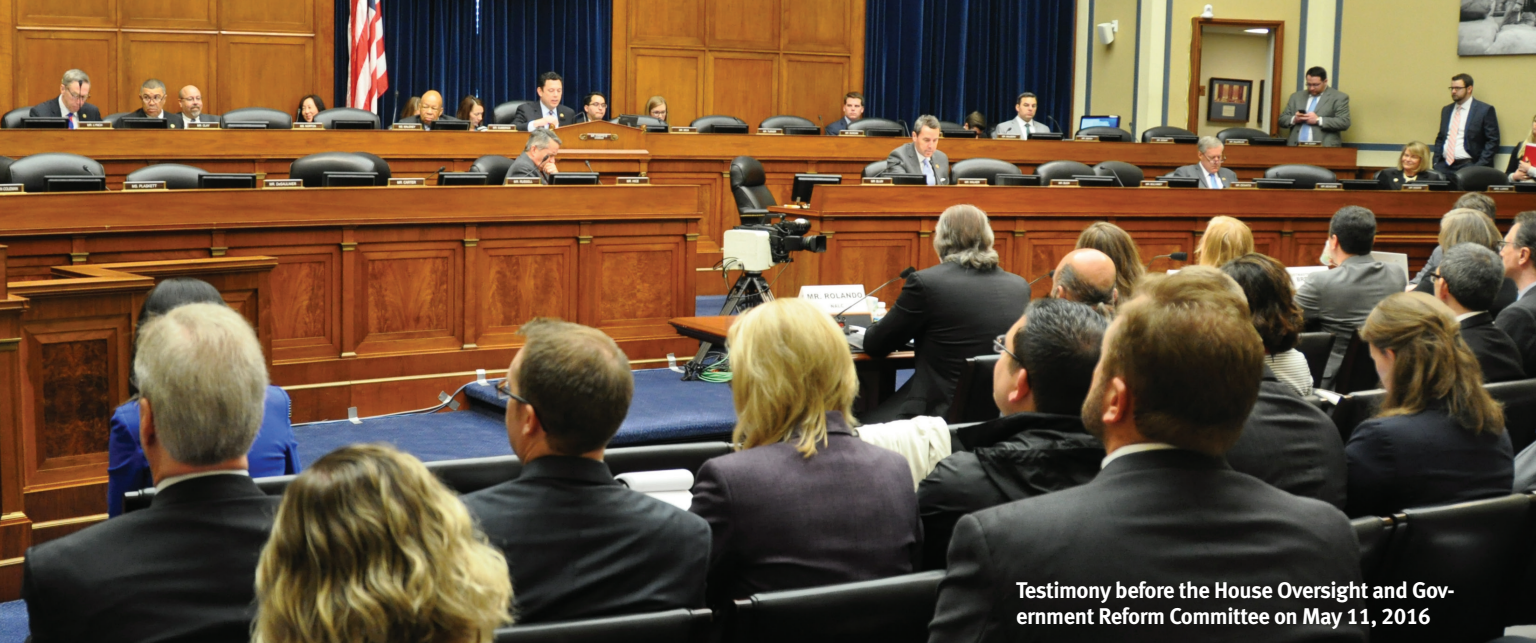
By the fall of 2015, all four postal unions and some 50 mailing industry companies (including Amazon, Comcast and Hallmark Cards), trade associations and the Postal Service had lined up behind a common set of reforms. This consensus has strengthened our hands in the debate over postal reform.

Sen. Tom Carper (D-DE), the top ranking Democrat on the Homeland Security and Governmental Affairs Committee (HSGAC), introduced a comprehensive postal reform bill in September of 2015 that moved in our direction. It adopted our concepts regarding pre-funding, pension valuations and non-postal products, and it dropped the idea of eliminating Saturday delivery (which was part of similar legislation in 2013-2014). S. 2051, the Improving Postal Operations, Services and Transparency Act, or iPost, even included a proposal to partially invest the retiree health fund. This was progress, even though we could not endorse the bill since it included Federal Employees' Compensation Act (FECA) benefit cuts for injured postal workers as well as other problematic provisions. NALC was asked to testify twice on the proposed legislation; my chief of staff, Jim Sauber, made a presentation on more intelligently investing the Postal Service Retiree Health Benefit Fund (PSRHBF) at a House committee roundtable discussion in May of 2015, and I testified before the full Senate Homeland Security and Governmental Affairs Committee (HSGAC) at a hearing on postal reform in January of 2016.

NALC and its business allies also arranged for a meeting between HSGAC Chairman Ron Johnson (R-WI) and 15 Wisconsin-based companies and associations at a massive Amazon fulfillment center in Kenosha in January of 2016. NALC was there to represent the Wisconsin State Association of Letter Carriers and to present to the chairman our reform plan. Although it was a productive discussion, Johnson would not commit to our proposed reforms. Fortunately, our coalition received a more positive reception on the House side of the Capitol.

In October of 2015, Postmaster General Brennan and NALC, along with a dozen mailing industry representatives, met with Reps. Jason Chaffetz (R-UT) and Elijah Cummings (D-MD), the chairman and ranking member, respectively, of the House Oversight and Government Reform (OGR) Committee. The postal operations subcommittee chairman, Rep. Mark Meadows (R-NC), and the ranking member, Rep. Gerry Connolly (D-VA), as well as committee member Rep. Stephen Lynch (D-MA), also attended.

Our coalition made a presentation on the reform principles on which we all agreed. The session went extremely well, and I had a chance to emphasize why the mailing industry supported our position on Saturday delivery. I set out to convince Chairman Chaffetz—who had been advocating the idea of allowing the Postal Service to schedule 12 “delivery holidays” each year—to reconsider the wisdom of reducing delivery frequency when *seven-day* delivery is becoming essential in the age of e-commerce. I was



Testimony before the House Oversight and Government Reform Committee on May 11, 2016

pleased to hear Chaffetz announce at an OGR hearing in May of 2016 that he had changed his mind both on Saturday delivery and on delivery holidays.

I was called to testify at that OGR hearing on behalf of all of the postal unions, and I pressed for our consensus reforms. A month later, the committee introduced a discussion draft of possible postal reform legislation—a preliminary step before formally introducing a bill in Congress. The purpose of the discussion draft, titled the Postal Reform Act of 2016, was to solicit the views of all of the key stakeholders. In the comments that NALC submitted on June 29, 2016, (and that are posted on our website), I described the draft as “a huge step in the right direction” and I called for a variety of changes to help perfect the legislation. Although we were again pleased that many of our coalition’s ideas were embraced in the proposal, the biggest flaw in the discussion draft was a provision giving the Postal Service the authority to require businesses receiving door delivery to convert to curb or centralized delivery. We cannot support such a proposal, and we explained why such a service cut was both counterproductive and unnecessary. (A similar provision for conversion of residential door delivery on a voluntary basis is similarly unacceptable to us.)

Fortunately, our opposition to the door delivery cuts is shared by the business partners in our coalition. They expressed their strong reservations on the issue, in a joint letter by the coalition and in their own comments on the discussion draft. The USPS expressed similar reservations.

Also paying off was the hard work of NALC legislative activists to build support for a House resolution calling on the Postal Service to maintain door delivery—H. Res. 28, introduced by Reps. Susan Davis (D-CA), David Joyce (R-OH) and Peter King (R-NY). Nearly 200 House members, from both parties, have co-sponsored the resolution, and Davis, Joyce and King wrote to the OGR committee to oppose the door delivery cuts contained in the discussion draft.

The outlook for any postal reform in the current Congress is uncertain at best. In an election year that has very few days available for legislative business, and given

the partisan gridlock we have seen since 2010, it is unlikely that any reform legislation can advance in Congress before the election. There is a possibility for some type of action in a “lame duck” session of Congress in December, but Johnson remains a wild card on that subject. What is clear is that the NALC will be a player in the legislative debate. If a bill does come to the floor of either the House or the Senate, we will need to call on all NALC members—from both parties and from every state and congressional district—to make their voices heard.

#### SATURDAY DELIVERY APPROPRIATION

Although USPS receives no taxpayer funds for its operations, a small congressional appropriation (that pays for free postage on election ballots cast by soldiers through the mail) has been used to set postal policy since 1983. That appropriation is made contingent on the Postal Service’s maintenance of six-day delivery. It had been routinely reauthorized for more than 30 years, and it was not controversial—until recently. Over the two Congresses before the Philadelphia Convention, Postmaster General Patrick Donahoe and the former chairman of the OGR committee, Rep. Darrell Issa (R-CA), repeatedly tried to eliminate the six-day rider from the annual Financial Services and General Government appropriation bill. In 2014, Issa succeeded in getting the six-day provision dropped from the proposed appropriation bill, but NALC lobbied our allies on the appropriations committee to restore it through an amendment.

Between 2010 and 2014, we helped fight off more than a dozen attempts to end Saturday delivery, either in the appropriations process or as provisions of other bills (to fund unemployment insurance or to fund highway spending, for example). We mobilized NALC members to build support in Congress for a House resolution supporting six-day service (H. Res 12 in the current Congress). Indeed, a bipartisan majority of the House now supports Saturday service, and in 2015 and 2016, Congress gave up trying to end Saturday service; the Saturday delivery policy has been maintained in the appropriations bills over the past two years.

## OTHER LEGISLATIVE THREATS

Every year, Congress is required to adopt a budget resolution that sets policy for Congress to follow when adopting authorizing legislation and appropriations bills. In recent years, partisan gridlock has prevented Congress from adopting budgets or most appropriation bills. This is why the NALC must remain vigilant: An anti-postal provision or an anti-labor provision, in the budget or in other legislation, could threaten letter carriers' security if we are not vigilant. Three examples demonstrate these kinds of threats:

1. In 2015, the House proposed a damaging budget resolution that called for raising by 5.5 percent of payroll the pension benefit contributions of federal and postal employees with no corresponding increase in pension benefits. This would have cut the average letter carrier's take-home pay by about \$3,500 annually. The resolution also called for reducing the interest rate on the Thrift Savings Plan's G Fund investments, from 3 percent to 4 percent to less than one-half of one percent, slashing TSP earnings of active and retired letter carriers alike, and it would have converted the Federal Employees Health Benefit Program (FEHBP) to a defined-contribution plan that would provide participants vouchers to buy insurance in the poorly regulated individual market for health insurance while indexing the vouchers to the general rate of inflation instead of the much higher rate of medical inflation. And the resolution would have ended the Federal Employees Retirement System (FERS) Social Security Supplement for annuitants under the age of 62. Had that resolution been adopted, the average letter carrier would have lost tens of thousands of dollars over a lifetime. Thanks in part to the work of our coalition of federal and postal unions, this budget resolution was defeated.

2. Another stand-alone bill proposed to cut letter carrier pension benefits by changing the salary base for pension calculations from the highest three years of salary to the highest five years of salary. Thanks in part to our opposition and to our friends in both parties, that bill (H.R. 1230) has made no progress in Congress.

3. Finally, our old "friend" Rep. Darrell Issa, who is no longer on the OGR committee, has not given up on his obsession with cutting postal services. He has introduced H.R. 1837, the ridiculously titled Secure Delivery for America Act, which would require the elimination of door delivery to 15 million American addresses, including all business delivery addresses. Thanks in part to the supporters of H. Res 28, mentioned above, this bill has almost no chance of advancing.

## POSITIVE LEGISLATION

Of course, every year, there are many positive bills introduced in Congress that NALC supports. The ones introduced by the minority party (in this case, the Democrats) have very little chance to be considered, but we work hard to find bipartisan support to improve the chances for success in the future.

In one case, we've actually seen bipartisan progress on an issue that has seriously hurt Civil Service Retirement System (CSRS) annuitants: the Windfall Elimination Provision (WEP) of the Social Security law. WEP unfairly cuts the Social Security benefits of public employees who receive a public pension, such as CSRS, for work not covered by Social Security. NALC has been lobbying since 1983 to repeal or change this provision. This year, we finally saw some progress: Ways and Means Chairman Kevin Brady (R-TX) has introduced H.R. 711, the Equal Treatment of Public Servants Act of 2015. It calls for lessening the effect of WEP on a prospective basis. H.R. 711 is not perfect and it does not address the other discriminatory provision in the Social Security law (the Government Pension Offset), but it is a step in the right direction and, because it is being championed by a leader in the majority party, it may have a chance to become law before the end of the year. NALC has endorsed this bill even as we call for better bills that would repeal both the WEP and GPO provisions.

As with postal reform legislation, the key to defeating legislative threats to workers or to enacting legislation to advance workers' interests is to elect supporters to Congress and to the White House. That takes us to the topic of political action.

## POLITICAL ACTION

NALC engages in political action in two ways, both of which are designed to influence decision-makers to adopt policies that strengthen the Postal Service and to promote the workplace interests of active and retired letter carriers. First, we mobilize our members to help elect to federal office pro-letter carrier candidates—from House members and senators to the president of the United States. Second, we use our resources to engage other policymakers who do not hold elective office, including members of the Postal Regulatory Commission as well as decision-makers at other agencies that govern programs affecting letter carriers and federal employees (e.g., the Office of Personnel Management and the Department of Labor). Both of these activities are important to members of our union.

## ELECTORAL POLITICS

Letter carriers are federal employees, and few workers have more at stake in national elections than we do. Above, I delineated some of the things that Congress can do that affect our day-to-day work lives. Since the president often proposes legislation on those topics, has the power to sign or veto such legislation, and must implement such legislation, our day-to-day work lives also depend on who resides in the White House. At election time, the future of our employer, our jobs and our families' well-being hang in the balance. That's why the union must engage in our democracy.

This can be complicated—and even controversial—because our national membership embodies the full political diversity of America. We live and work in "blue

states” and “red states.” Among our members are tens of thousands of Democrats, Republicans, Independents, Libertarians and Greens. And within those broad categories, we have Tea Party conservatives, Democratic Socialists and people who hold just about every ideological position in-between. That’s a strength, not a weakness, because we welcome and need support for the Postal Service and letter carriers from every coordinate on the political spectrum.

Because of this, we judge candidates and we make endorsements on the basis of workplace issues. We back candidates, regardless of party, who support letter carriers, the Postal Service and the rights of workers to organize and bargain collectively. Period. I understand and respect that not all of our members base their votes on workplace issues. For example, many of our members base their votes on other issues—taxes, gun rights, abortion policy or religious concerns. Every American, and every letter carrier, has the right to decide what matters to him or her in the voting booth. We should all respect that. But that does not relieve NALC from the need to choose which candidates to support and to do our best to find allies from every corner of the political world.

This is the approach we take for endorsements for our representatives in both houses of Congress, and it’s also the approach we used to make an endorsement for the 2016 race for the White House.

**Presidential endorsement.** In July, I announced that the NALC Executive Council had voted unanimously to endorse former Secretary of State Hillary Clinton to serve as the next president of the United States. Sec. Clinton has a long history of supporting the issues most important to us: a strong Postal Service, collective-bargaining rights for postal employees and decent pay and benefits for all American workers. She has been a friend of NALC since her first meeting with us in 1994. Former Sen. Clinton was among the first in the Senate to support legislation to prohibit the contracting out of letter carrier jobs to low-wage private contractors, a bill that helped us stop the practice in 2006. She defended six-day delivery, supported federal employees and was an original co-sponsor of the Employee Free Choice Act. NALC is proud to once again stand with Hillary, just as we did when she ran for president in 2008.

This year, we had the good fortune of seeing two tremendous champions of letter carriers compete for the Democratic Party’s nomination for president. In fact, both have been made honorary members of the NALC by delegates to our national conventions. As I wrote in *The Postal Record* in March, based on the issue

surveys we sent to both parties’ candidates and on the polls we conducted among our members and activists, both Sec. Clinton and Sen. Bernie Sanders (I-VT) earned our support. Out of respect for both candidates and the passionate supporters each has in our union, we decided not to endorse either until the primary process produced a nominee. That eventually happened in June.

I commend Sanders, who also is a longtime friend and a fierce advocate for letter carriers in Congress, for running a fantastic campaign. The energy and passion that he brings to politics have ignited a national conversation and moved the needle in our national debates about inequality, wage stagnation and the power of corporate interests in our democracy. NALC intends to continue fighting alongside Sanders to strengthen our employer, our political system and our country.

For the Executive Council, this endorsement was not a difficult one to make, given the two choices before us: Hillary Clinton versus Donald Trump. Sec. Clinton has demonstrated her commitment to letter carriers over many years. She strongly backs the labor movement and has dedicated her entire life to public service—few candidates have ever been better prepared for the Oval Office.

Mr. Trump, on the other hand, showed blatant disrespect to America’s letter carriers. In our endorsement process, he not only failed to answer our candidate questionnaire, he would not even acknowledge receiving it. Leaving aside the bigotry and sexism he has demonstrated on the campaign trail and the doubts within his own party about his fitness for office, we’ve learned a lot about Trump’s views toward workers and unions.

A majority of workers at his hotel in Las Vegas has voted to organize, but he is refusing to recognize their union. He opposes an increase in the federal minimum wage and has said that American workers are overpaid. He supports “right-to-work” (for less) laws. And he has a long record of shortchanging workers for their work, prompting many of the thousands of lawsuits he’s been involved with over the years. The boastful “billionaire” claims to support American worker, but his record suggests otherwise.

This fall, we will work to mobilize our members to vote for Sec. Clinton and for dozens of other federal candidates, Democrats and Republicans alike.

We do this in two ways. First, we raise funds through our political action committee (PAC), now known as the Letter Carrier Political Fund (LCPF), to support pro-letter carrier candidates for federal office. Second, we use field organizers to educate our members about the workplace issues before Congress and before the



voters in elections, and to mobilize carriers and other working people to get out and vote on Election Day. We've made significant changes in the past two years in how we perform these important tasks.

### LETTER CARRIER POLITICAL FUND

By law and by union practice, we cannot and do not use NALC dues revenues to make political donations. Since 1979, we have used our PAC to solicit voluntary contributions from members to support friendly candidates and to help elect them to office. PACs are legal devices that permit unions and other organizations to bundle small contributions for candidates.

In Philadelphia, we made the decision to rename and rebrand our PAC, changing it from the Committee on Letter Carrier Political Education (COLCPE) to the Letter Carrier Political Fund. We did so because we wanted both our members and the candidates we support to clearly understand what the fund is for and whose voluntary contributions are being used to support the PAC's activities. A full discussion of this change is provided in the legislative department's report in this volume.

Our hope is to continue to build participation in the Letter Carrier Political Fund. Although not all members are comfortable making contributions to it, we hope that those who already give will encourage their brothers and sisters to do the same. (Those who don't contribute can pitch in to help our union in other ways, by becoming an e-Activist or by engaging in coalition-building in local communities to support the Postal Service in Congress and in your local media.) Delegates to the convention should visit the Legislative and Political Action booth in the exhibit hall to find out how to help.

### UPGRADING OUR LEGISLATIVE DEPARTMENT AND FIELD ORGANIZATION

One of the late President Vincent R. Sombrotto's greatest legacies was the creation of a professional legislative department in Washington, complete with experienced lobbyists and political organizers. Thanks to that innovation, NALC has a reputation within the AFL-CIO for operating one of the most sophisticated and effective political programs in the labor movement. Included in Sombrotto's original design was a network of field organizers to work with our state associations and branches on legislative and political matters. The original program was called "We're Involved Now" (WIN). It divided the country into five regions, with DC-based staffers assigned to each. Given the travel demands of the job, we focused on attracting young political activists who might work for us for one or two election cycles and then move on. The field program has evolved over time, but it has been structured basically the same way it was when it was created in the mid-1980s.

The program worked very well for a long time, and it was especially useful for educating our members about the dozens of bills that affect letter carriers proposed



each year, debated in Congress and enacted into law. In recent years, however, politics have changed. Bitter partisanship and congressional dysfunction have made it clear that we need to have a stronger presence in the field and less turnover among our staff. There has been less legislation to educate our members about and a greater need to build stronger grassroots networks among our members. There also was a need to build coalitions with friendly community allies to help us influence a more polarized Congress. In addition, since we decided in 2006 to refocus the mandates of our state associations on political and legislative matters, we concluded that we needed letter carrier activists to lead our field operations.

For these reasons and others, we have reorganized our legislative department and are transitioning to a new field structure that will use field-based letter carrier staffers to serve as legislative and political organizers (LPOs). In October of 2015, we invited hundreds of legislative and political activists to a training conference near Baltimore to help us formulate the new field plan. LPOs will be hired and put in place in the coming months as we focus first on the 2016 elections, and then on mobilizing letter carriers to contribute to the Letter Carrier Political Fund and to join our grassroots network of legislative activists.

It is our hope that the new field program will energize our state associations and large branches to advance our political and legislative priorities and to strengthen our alliances at the local level. We want to help our activists across the country to achieve the kind of victories we've seen in a number of states. Earlier this year, for example, the Florida State Association of Letter Carriers helped to successfully lobby for vote-by-mail legislation in that state. In Utah, our state association there has worked to convince the legislature to give the Postal Service a role in preparing to help communities respond to natural disasters and other emergencies. And in California, the state association helped win passage of a resolution supporting door-to-door delivery.

We also want to use our new field structure to energize the national coalitions to which we belong—the Grand

Alliance to Save Our Public Post Office and the Coalition for Postal Banking—at the local level. With the support and help of the activists and leaders gathered in Los Angeles, I am certain that we can succeed.

## INFLUENCING OTHER POLICY-MAKERS

Washington is full of policy-makers who are important to letter carriers' lives but who are not elected officials. The most important are employed by the Postal Regulatory Commission (PRC), the agency that regulates the Postal Service and sets many policies that affect the health and viability of the agency. But others include:

- the Office of Personnel Management (OPM), the agency that manages and issues regulations affecting the Federal Employees' Health Benefits Program, the CSRS and FERS pension plans and the Federal Employees' Group Life Insurance plan;
- the Office of Workers' Compensation Programs in the Department of Labor that administers the federal government's workers' compensation program (FECA);
- the Centers for Medicare and Medicaid at the Department of Health and Human Services; and
- the Federal Retirement Thrift Investment Board, the agency that oversees the Thrift Savings Plan, our retirement savings program.

All of these agencies have the power to adopt policies that affect letter carriers, for better or for worse. The NALC closely monitors the Federal Register every day to make sure we intervene whenever an agency considers regulatory changes that might affect our members. Although our activities with many of these bodies are covered in other officers' and departments' reports in this volume, I would like to highlight a few activities undertaken by my office over the past two years.

## POSTAL REGULATORY COMMISSION

At any given moment, the PRC has several regulatory reviews, congressionally mandated investigations, rule-makings or rate-setting proceedings (called dockets) under way. NALC closely monitors them all and intervenes when it is necessary to protect our interests. I'd like to highlight three examples of this work since the Philadelphia convention:

1. In June of 2015, a federal appeals court ordered the PRC to recalculate the amount of revenue the Postal Service was entitled to recover through the 4.3 percent "exigent" rate increase (adopted in 2011) before it would expire. NALC hired an expert on postal rate setting, professor Michael Crew of Rutgers University, to help us formulate our recommendations to the PRC, arguing for more revenue and challenging mailers who sought to minimize the recovery of revenues. The commission rejected the mailers' proposals and adopted an order more closely aligned with our views.

2. Also in 2015, United Parcel Service (UPS) filed a motion with the PRC to request multiple changes in

how the commission assigned institutional (overhead) costs to competitive products, changes that would have raised our package delivery prices and shifted market share to UPS. NALC intervened to support the Postal Service and other mailers who opposed the changes. The issue is still pending.

3. In June of 2016, the NALC submitted comments to the PRC for a formal review of the Postal Accountability and Enhancement Act (PAEA) of 2006, a review mandated by Congress. We urged the PRC to identify the shortcomings of the legislation and to support our proposed reforms to the law. The review is still underway.

In each of these cases, NALC is actively seeking to strengthen the Postal Service and protect affordable universal service, to the benefit of the American public and NALC members.

## OFFICE OF PERSONNEL MANAGEMENT

The NALC also engages with OPM on several matters of importance to letter carriers. Of course, we regularly negotiate with OPM to set the premiums charged by the NALC Health Benefit Plan, a participating plan in the FEHBP program. Our lawyers also monitor the agency's rule-making proceedings that could affect FEHBP and the federal pension plans.

At present, we are working with our actuarial consultants at Willis Watson Wyatt to convince OPM's board of actuaries to adopt more appropriate policies when it comes to setting the payroll costs of CSRS and FERS benefits—the "normal cost" or percentage of pay USPS must contribute each pay period to cover the cost of retirement benefits. We have learned that OPM's methods unfairly discriminate against the Postal Service, unfairly raising our employer's costs and adversely affecting us.

Of course, we've been struggling with OPM for years over its valuations of our pension plans and of our retiree health fund. We continue to lobby the Office of Management and Budget (OMB), a division of the executive office of the president, to overrule OPM and give the Postal Service fair treatment on these matters. If not for NALC, few others would be sticking up for our interests.

## OTHER NON-GOVERNMENTAL PLAYERS

To conclude this discussion of the NALC's political action agenda, I want to briefly highlight our work in areas beyond the legislative and executive branches of the government. The political fights we face don't just involve government officials. Political parties, companies, other unions and other private entities often advocate policies that may or may not help letter carriers. We do all we can to shape the debate over the Postal Service with these actors.

In June, for example, we submitted suggestions on postal policy to the Democratic Party's platform committee. For us, it is not enough to simply endorse Sec. Clinton. We wanted to influence the kind of postal policies she should embrace if she gets elected. Our comments addressed the full range of postal policies,

from the contents of postal reform legislation and vote-by-mail to advice on appointments and administrative actions the next administration can take within the OPM and OMB. We were pleased that the resulting “postal plank” of the Democrats’ draft platform included the following language:

“The United States Postal Service is a national treasure. That is why Democrats embrace a vibrant, public Postal Service that offers universal service, and reject any effort to privatize or marginalize it. We are committed to eliminating the unsustainable mandate to ‘pre-fund’ retiree health costs. And we will work to restore service to appropriate levels including overnight delivery of first-class mail and periodicals within the same metropolitan area, maintaining six-day and door-to-door delivery, and appointing members to the Board of Governors and the Postal Regulatory Commission who champion a strong public Postal Service. Democrats also advocate for expanding postal services. This includes offering basic financial services such as paycheck cashing. It also includes promoting vote-by-mail to increase voter participation and to help address the scourge of voter suppression.”

We also engage in policy debates with an entire network of Washington-based think tanks and trade associations that advocate postal policies on behalf of the companies and donors they represent. These range from private competitors to the Postal Service to ideological interest groups.

Prominent right-wing think tanks, such as the Heritage Foundation, the Cato Institute, Americans for Tax Reform and the Lexington Institute, often issue reports that attack the Postal Service, its employees or specific policies we support. NALC often responds directly to these reports, as we did in 2015 to reports, issued by the UPS-funded Sonecon consulting group and the Brookings Institution, that falsely argued that Postal Service receives taxpayer subsidies and would be better off if it were partially privatized. Other times, we work with labor-friendly think tanks, such as the Economic Policy Institute and the Center for Economic and Policy Research, to produce rebuttals. These activities are important because faulty research that is not refuted often influences policymakers in Congress and regulators in other agencies.

As this discussion makes clear, effective political action does not just involve what we do at NALC Headquarters. We need letter carriers to contribute to the Political Fund. We need e-Activists to advocate our legislative priorities. And we need grassroots volunteers to not only educate our members on our workplace issues but also to mobilize them to vote. The lesson of the 2014 mid-term elections, when voter turnout was the lowest in 72 years (at 33 percent), is that letter carriers lose when working families give in to apathy or cynicism and don’t vote. Let’s make sure this year—and every election year—that all letter carriers vote.

## UNION-BUILDING ACTION

Political and legislative action is not for everybody. But every member can do something to strengthen

our union and to improve the lives of their fellow letter carriers. We engage in a variety of union-building activities to provide world-class representation to our members. We will continue to provide training and resources for our members who are able to step up to represent their brothers and sisters, to maximize their ability to succeed. Allow me to briefly highlight the many ways we’ve done this since 2014.

### NALC MOBILE APP

Officers and staff members at NALC Headquarters are working with our Information Technology department and external consultants to develop a mobile phone app to provide access to a whole range of NALC information resources and assistance. The free app (short for “application”) will be available for download on members’ smartphones around the time of our convention. It will strengthen the ability of members to communicate, interact and seek assistance from NALC.

### ORGANIZING/EDUCATING CCAS

In the run-up to the Philadelphia convention, we created a comprehensive program to organize the surge of CCAs hired after the position was created by the Das award. We designed programs to help former TEs prepare for taking the job applicant’s test for CCA positions, and we developed new organizing materials for use in orientation programs. That effort was extremely successful, as the percentage of CCAs who signed up for NALC membership increased dramatically. We are still working to raise the percentage closer to the 93 percent of career letter carriers who are currently members.

Since the last convention, we have also worked to encourage CCA members to get involved with the NALC. In January of 2016, we organized the first-ever conference for CCAs and (recently appointed career carriers who were hired as CCAs) in St. Louis. The three-day conference included a rap session with me and a series of training modules on the history of the NALC and all of the different ways that CCAs could become activists within the NALC—everything from community services activities to political and legislative activism to workplace representation work as shop stewards and branch officers. Our intention is to continue this education in the future to make sure the next generation of NALC leaders learns the meaning of *Solidarity in Action*. In addition, much of the information provided at the conference is now available in a special booklet we have sent to every CCA in the country, a booklet that also will be provided to all newly hired CCAs.

### EXPANDED TRAINING PROGRAMS

Another union-building priority of the past two years has been to expand the range of training available to members, activists and branch leaders across the country. At the National Rap Session in Houston in July of 2015, we previewed this new training in workshops for the 1,500 branch leaders who gathered there.



The schedule and contents of this training is discussed elsewhere in this biennial report by the officers and staff members who devised the curricula, prepared the materials and conducted this training. But here I'll just identify the areas we have focused on:

**Branch officer training** For years, we have conducted special training programs for branch secretary-treasurers. Given the strict regulation of union finances by the Department of Labor, this made sense. But that training left out all of the other branch officers who can make a difference in their branches, such as branch presidents and branch trustees. Secretary-Treasurer Nicole Rhine and Assistant Secretary-Treasurer Judy Willoughby created an excellent program to train letter carrier activists to serve in all of these roles. So far, they have conducted the training twice: in September of 2015 in Atlanta, and in January of 2016 in Las Vegas. The feedback has been extremely positive and they will continue to update and expand the training over time.

**Advocacy training** As it has for years, NALC will continue to provide arbitration advocates training to ensure we maintain an experienced cadre of advocates to represent our members in arbitration hearings.

**“Advanced Formal A and Beyond” training** The NALC has been doing grievance training for years. This year, we added a training program for stewards who already have experience representing carriers at Formal Step A. The goal of the week-long training is to sharpen our representatives’ writing and presentation skills and to practice building the best possible cases for our members. Vice President Lew Drass and his team at Headquarters did a fantastic job of putting the course together. The first training was conducted outside Baltimore in January of 2016, and two more classes are planned for September and October of 2016.

**Retirement training** Director of Retired Members Ron Watson has developed a comprehensive training course to be used by NBA offices to provide training on all of the issues of importance to members who are retired or about to retire. The class covers pensions, Social Security, Medicare and the Thrift Savings Plan, among other topics. Look to your NBA office to learn when and where the classes will be offered.

**Dignity and respect** At the Houston Rap Session, we also previewed a new resource for NALC shop stewards that will be published right before the Los

Angeles Convention. It is a booklet titled, *The NALC Shop Steward's Guide to Preserving the Right of Letter Carriers to be Treated with Dignity and Respect*. It provides stewards with direction on the proper steps to take to improve working conditions in offices where supervisors mistreat letter carriers, highlighting tools within and outside our contract for combating abusive managers. Training on this topic will be offered in Los Angeles and possibly in the field thereafter. The booklets have been mailed to every branch. Our intention is to put one in the hands of every steward.

## NALC FOOD DRIVE

The annual NALC “Stamp Out Hunger” Food Drive not only addresses a serious social need—to alleviate chronic hunger in America—it also helps NALC strengthen our union and its values. The team-building it promotes and the spirit of solidarity it fosters within our branches is a priceless side benefit of this important annual activity. In early 2014 in Houston, I made a presentation on our annual food drive to the AFL-CIO Executive Council, on which I serve. I announced our intention to change the way we conduct the food drive, which in the past relied heavily on large corporate partnerships to succeed. I wanted to rebrand our food drive as a labor movement food drive, promoting the values of our movement and helping strengthen the public’s appreciation for what unions do for our country.

At the time, we were still working with Campbell’s Soup, a terrific partner for more than 20 years. I have nothing but admiration for our corporate sponsors and I hope to work with many of them for years to come, but I wanted our headline national sponsor to come from the labor movement. So I asked my AFL-CIO colleagues on the executive council to become involved with our food drive and to give it a more visible union label.

Two years later, we are achieving that goal. This year, the United Food and Commercial Workers International Union (UFCW) became a national sponsor of the food drive and purchased 120 million postcards to advertise the 2016 Stamp Out Hunger campaign. I want to give special thanks to UFCW President Marc Perrone for his union’s amazing work. In addition to generously buying the postcards, he convinced a number of food companies that stock grocery stores across the country to make donations to the drive, and his locals purchased 2 million bags to collect food this year. Thanks to our new partnership, the 2016 food drive collected a record 80 million pounds of food for the nation’s food banks.

**Training held at the national rap session in Houston on July 18, 2015**

The food drive is becoming a union family affair. The AFL-CIO and the NRLCA have maintained their national sponsorship roles, and many other unions have stepped up to purchase bags for collecting donated food. We especially appreciate the hundreds of volunteers from our sister postal unions (the NRLCA, APWU and the NPMHU) for helping on the day of the drive. Finally, special thanks go to President Leo Gerard of the United Steelworkers of America (USW) for helping us to negotiate a fantastic deal with International Paper to provide low-cost bags for the drive. The USW also bought half a million bags for distribution in the Pittsburgh area, which boosted contributions from 290,000 pounds of food last year to 1.1 million pounds this year.

The report of the Community Services department in this volume will provide details about the 2014 and 2015 food drives.

### REGIONAL WORKERS' COMPENSATION ASSISTANTS (RWCAS)

To improve the quality of representation for letter carriers injured on the job, we have developed a team of workers' compensation experts to provide assistance to injured workers and training for branches. There are seven RWCAs in place who have been assigned regions of the country to serve. They not only represent injured workers in their dealings with OWCP district offices, but they also provide assistance to branch leaders with workers' compensation questions. The RWCAs also provide training on workers' compensation in their regions.

### VETERANS OUTREACH

Finally, let me finish this section with a union-building action that is especially close to my heart. Our union has always been proud that anywhere from one-quarter to one-third of our membership is made up of military veterans. I am convinced that these veterans motivate and inspire all letter carriers with their sense of service and commitment to excellence. We appreciate the veterans for their service and we think of them as absolute assets to our union.

Both to say thank you to our vets and to mobilize their talents for the benefit of all letter carriers, I announced in October of 2015 the formation of the NALC Veterans Group. The group is designed to provide NALC members who are military veterans with access to information and tools specific to veterans' rights and benefits. It seeks to provide all NALC members who are also military veterans—active full-time and part-time letter carriers, as well as retired letter carriers—resources, rights, information, and a sense of camaraderie. I mailed a letter to all of the members we could identify as veterans in our membership database to notify them of the creation of the group and to invite them to

join. In addition, we ran a sign-up card in the October 2015 issue of *The Postal Record*. Since its formation, more than 8,000 NALC members have joined the group and have received an NALC Veterans Group pin as an expression of gratitude for their military service to our country.

We have established a "Military Veterans" page on our website under the "Member Benefits" tab. It provides links to Veterans Group articles printed in *The Postal Record* as well as links to government websites that provide resources regarding veteran-related issues and benefits. NALC national officers, department heads and staff members constantly research topics that benefit and affect military veterans. In addition to the many resources already available on the page, whenever a new subject or resource becomes available, NALC updates the page to include the additional information.

There will be an NALC Veterans Group booth at the convention in Los Angeles. If you are veteran or a branch leader looking for ways to address veterans' issues in your branch, stop by and say hello. I look forward to working with our Veterans Group to build ties to the greater veterans' community in America to serve their needs and to enlist their support for a strong Postal Service.

### CONCLUSION

*Solidarity in Action* is more than our theme this year. It's our union's DNA—it's what we are and what we do.

The leaders of this union will gather in Los Angeles. The activists who make the NALC one of the most admired unions in the labor movement will be with us that week. The organizers who make us the best organized open shop union in America will be there, too. All of you inspire me and motivate me to do all I can for the 275,000 members of the NALC. I hope I will do the same for you.

Together, we—the delegates, the branch officers, the state association leaders, the Executive Council members, and the staff members of this great union—have the power to make our union stronger, more united and more effective. More importantly, we have the power to make a real, positive difference for America's letter carriers and their families. Our obligation during the convention week is to organize, strategize and mobilize our entire membership to build a better union to do just that. I have no doubt that we will.

I wish all of you a successful convention. The leaders and members of Los Angeles Branch 24 have done a tremendous job preparing it. Enjoy the City of Angels while you are there. Play hard, but work even harder. The men and women we represent are counting on us.