



# News from Washington

## House Resolution 993 a rallying call in the House

**C**ongress is preparing for a short burst of work before the November midterm elections, with only 19 working days during which both the House and Senate will be in session at the same time. While the two chambers have a lot to consider this fall, letter carrier issues already have emerged on the agenda.

In mid-July, a bipartisan group of 10 representatives introduced House Resolution 993, which calls on Congress to take all appropriate measures to ensure that the Postal Service remains an independent entity of the federal government and not be subject to privatization.

The introduction of the sense-of-the-House measure by Reps. Rodney Davis (R-IL) and Stephen Lynch (D-MA) came in response to the recent Office of Management and Budget (OMB) government reorganization and restructuring plan titled “Delivering Government Solutions in the 21st Century.” The report, which takes direct aim at numerous agencies, calls for privatizing the Postal Service.

“NALC commends our bipartisan friends in Congress for their immediate action to push back against this ill-conceived idea that would adversely affect the constituents they represent and the letter carriers who serve them seven days a week,” NALC President Fredric Rolando said.

“Privatization of the Postal Service would inevitably increase costs and limit service for locations not deemed profitable, which is just part of the problem,” he continued. “Privatization also would threaten the standard of living of letter carriers and all postal employees.

“Just as NALC laid out for the White House Postal Task Force, we believe

that sensible financial reforms are the way forward—not burning down the barn at the behest of private shippers. We encourage all members of Congress to co-sponsor this important bipartisan resolution and to oppose any effort to privatize this public institution based in the Constitution.”

As this issue was going to press, 101 House members had co-sponsored the resolution (80 Democrats, 21 Republicans), but 218 co-sponsors are needed to achieve a majority. To send a strong message to Congress and the administration that any attempt to privatize the Postal Service is dead on arrival, NALC is asking letter carriers and their friends and families to call their representatives and ask them to sign on to H. Res. 993. You can find more information about the resolution and about contacting your representative on the NALC Member App for smartphones or online at NALC’s Government Affairs page.

### McHenry amendment voted down

At the same time that the anti-privatization resolution was being launched on Capitol Hill, an effort to limit the Postal Service’s ability to provide financial services was taking shape through the appropriations process.

A package of funding bills (known as a “minibus”) for Fiscal Year 2019 was introduced that included appropriations for Financial Services and General Government (FSGG). FSGG has jurisdiction over the Postal Service and is where NALC’s long-standing six-day mail delivery language has been preserved in law since 1983.

One of the bills in the minibus, H.R. 6147, had nearly 400 amendments proposed, including one from House

Republican Deputy Whip Rep. Patrick McHenry (NC) that sought to prohibit the Postal Service from providing financial services or even looking into expanding financial services.

It has been speculated that the amendment was the result of pressure from Wall Street and was framed as an “anti-postal banking” measure that would have had far-reaching negative consequences for postal operations and customers. Corporate banking associations aggressively lobbied for the amendment, but the quick response from letter carriers around the country helped ensure that the amendment failed to pass. The final vote was 201-212, with 28 Republicans joining all 193 members of the Democratic caucus in opposition.

“We thank the 28 Republicans, as well as Leader Nancy Pelosi and all the Democrats,” President Rolando said.

Additionally, the six-day language in both the House and Senate FSGG bills was preserved, making it all but certain to be signed into law for another year.

“Letter carriers have a lot to be thankful for with these recent votes,” Rolando said. “Standing up to Wall Street is no easy task, but it shows the importance with which the Postal Service and letter carriers are viewed by representatives from both sides of the aisle. These are important victories. But we must remain alert.”

President Rolando urged letter carriers to download the NALC Member App for their smartphones to be alerted when congressional action is imminent.

### NALC briefs Capitol Hill

In late July, NALC Executive Vice President Brian Renfroe participated in

# Republican nays to McHenry Amendment to H.R. 6147

Rep. Don Young (R-AL)  
Rep. Paul Cook (R-CA)  
Rep. Jeff Denham (R-CA)  
Rep. Steve Knight (R-CA)  
Rep. David Valadao (R-CA)  
Rep. Carlos Curbelo (R-FL)  
Rep. Brian Mast (R-FL)  
Rep. Ileana Ros-Lehtinen (R-FL)  
Rep. Mike Bost (R-IL)  
Rep. Rodney Davis (R-IL)  
Rep. Walter Jones (R-NC)  
Rep. Mark Meadows (R-NC)  
Rep. Jeff Fortenberry (R-NE)  
Rep. Leonard Lance (R-NJ)  
Rep. Frank LoBiondo (R-NJ)  
Rep. Christopher Smith (R-NJ)  
Rep. Dan Donovan (R-NY)  
Rep. John Faso (R-NY)  
Rep. John Katko (R-NY)  
Rep. Pete King (R-NY)  
Rep. Elise Stefanik (R-NY)  
Rep. Bill Johnson (R-OH)  
Rep. David Joyce (R-OH)  
Rep. Michael Turner (R-OH)  
Rep. Ryan Costello (R-PA)  
Rep. Brian Fitzpatrick (R-PA)  
Rep. Scott Perry (R-PA)  
Rep. David McKinley (R-WV)

a briefing panel on Capitol Hill hosted by A Grand Alliance to Save Our Public Postal Service. As was the case with the introduction of H. Res. 993, the briefing came in response to OMB's government reorganization and restructuring report and in anticipation of the White House Postal Task Force report released on Aug. 10.

In his presentation, Renfroe focused on Postal Service finances. He stated that they are indeed on an unsustainable path but emphasized that restructuring or privatizing USPS are not the answer. He highlighted the history of the Postal Accountability and Enhancement Act of 2006 and reminded those in attendance that the burdensome pre-funding mandate accounts for nearly 90 percent of losses reported by USPS since 2007. He outlined the solutions provided by the four postal unions to the White House Postal Task Force during NALC's June 5 meeting with the task force (the unions' paper is viewable online at [nalc.org/white-paper](http://nalc.org/white-paper)).

Renfroe also discussed the recent OMB report that calls for privatization, noting that during NALC's meeting with the task force, there was no mention of privatization as a solution from any of the task force members.

"It's important to consider international cases where postal privatization has been implemented already and recognize that they have not been successful," Renfroe said. "Examples in developed countries in Europe have shown postal infrastructures destroyed, prices rising, services falling and employment conditions deteriorating. The U.S. Postal Service is not in need of restructuring and certainly not in need of privatization. I encourage everyone

here to speak with their boss, their members of Congress, and ask them to co-sponsor House Resolution 993 and to oppose postal privatization."

## AFL-CIO's unanimous resolution against USPS privatization

On July 26, the AFL-CIO Executive Council released a statement unequivocally opposing privatization of the Postal Service.

"While there are many unknowns when it comes to privatization of the Postal Service, we know that if it is privatized in whole or in part, the decision to provide services will be based on whether a company can make a profit rather than what's good for working people," the statement said. "Inevitably, privatization will lead to increased rates and diminished services for customers, especially in rural communities and potentially (in) low-income urban areas.

"Privatization of the Postal Service would jeopardize the booming e-commerce sector and cripple a major part of the nation's critical infrastructure during a time where methods of communication are constantly changing, while mail, including letters, cards, periodicals, medicines, catalogs and packages, continues to be invaluable to individuals and businesses."

The AFL-CIO vowed to encourage central labor councils and state federations to join with labor and community allies in concrete actions against privatization.

## Looking ahead

Most pressing for Congress this fall will be to finish work on appropriations and to fund the government through the next fiscal year, an

effort that usually ends in extensions, known as "continuing resolutions" (CRs). CRs are expected again this year, with President Donald Trump indicating that he is willing to shut down the government if not provided with the funding for a border wall.

The Senate also will have various nominations to consider, including the recent nomination of Judge Brett M. Kavanaugh to fill Justice Anthony M. Kennedy's seat on the Supreme Court.

Lawmakers will want to get onto the campaign trail as soon as they can ahead of the November elections. The full House and 35 Senate seats are up for election this fall, and control of

Capitol Hill is up for grabs. Regardless of which party finds itself in control, the priorities of letter carriers and NALC will remain the same: bipartisan engagement and education of members of Congress on all issues of importance to letter carriers.

This continued approach for letter carriers will be particularly important in the coming months as Congress grapples with the White House's Postal Task Force recommendations and with a continued call for privatization from the Office of Management and Budget. Letter carriers should remain on high alert.

## **National arbitration award reverses USPS's unilateral changes on political LWOP**

In an award issued on Aug. 6, national arbitrator Stephen Goldberg vacated the Postal Service's unilateral changes to certain provisions of the *Employee and Labor Relations Manual (ELM)*. These changes would have restricted employees' right to take union leave without pay (LWOP) for the purpose of participating in partisan political campaigns.

The decision sustained a national-level grievance brought by APWU. NALC also had challenged the *ELM* changes and intervened in the case in support of APWU's position.

Under the federal Hatch Act, letter carriers generally have the legal right to participate in partisan political campaigns as long as they are not on active duty, are off postal property and are out of uniform. The *ELM* changes at issue would have prevented employees from requesting LWOP for union business for the purpose of engaging in such lawful activity.

The Postal Service's attempt to change the *ELM*'s LWOP provisions was a response to an investigation conducted by the Office of Special Counsel (OSC), which investigates alleged violations of the Hatch Act. Specifically, the OSC looked at NALC's member release program through which approximately 97 NALC members took union business LWOP to participate in campaign activity in support of candidates endorsed by the union. The members performed typical "get out the vote" activities such as door-to-door canvassing, distributing literature, making telephone calls and sending postcards to encourage voters to support NALC-endorsed candidates for public office.

In its report following the investigation, the OSC recognized that "the postal unions and individual employees and members are permitted, and should be encouraged, to maintain PACs, endorse candidates, and enlist union members to support their electoral agendas on their own time." However, the report also concluded that "USPS's practice of facilitating carrier releases for the union's political activity resulted in an institutional bias in favor of NALC's endorsed political candidates which the Hatch Act prohibits."

The Postal Service responded to the report by implementing changes in the *ELM* to restrict employees from using "union business" LWOP to participate in partisan political campaigns. Arbitrator Goldberg upheld the unions' position that by acting unilaterally the Postal Service violated Articles 5, 10.2 and 19 of the National Agreement. The arbitrator ordered the Postal Service to rescind the changes and make whole

any employees disciplined or whose LWOP requests were denied because they had indicated that they were requesting "union official" LWOP to engage in partisan political activity. The arbitrator also stated that any further efforts by the Postal Service to change the *ELM* or PS Form 3971 must comply with Articles 5, 10.2 and 19 of the Agreement.

To read the Goldberg Award, go to [nalc.org/news/body/HATCH-ACT-AND-LWOP.8-6-2018.pdf](http://nalc.org/news/body/HATCH-ACT-AND-LWOP.8-6-2018.pdf).

NALC continues to discuss issues raised in the OSC report with the Postal Service. Any agreements or other developments resulting from these discussions will be reported immediately. In the meantime, NALC members who have any questions regarding participation in political campaigns should call the Department of Legislative and Political Affairs at NALC Headquarters at 202-393-4695.

## **USPS releases Q3 financial report**

On Aug. 10, the Postal Service released the financial statement for the third quarter of Fiscal Year 2018, covering the months of April, May and June of 2018. It showed USPS's underlying business strength while also indicating the need to address external matters beyond USPS control. Despite a \$402 million revenue increase compared to the same period last year (a 2.4 percent rise), USPS reported an operating loss of \$889 million.

"This shows the need for policymakers to address two public policy issues—the stamp price rollback and the congressional mandate that USPS pre-fund future retiree health benefits decades into the future," President

Rolando said in a statement.

In April 2016, the price of a stamp was rolled back by 2 cents, reducing postal revenue by \$2 billion a year, or \$500 million a quarter. Without that decrease, the \$1.192 billion operating loss year-to-date (first three quarters) would be an operating profit of \$308 million.

The Postal Regulatory Commission (PRC) is in the midst of a legally mandated review of the postage rate-setting system. At present, USPS is constricted in its ability to adjust rates by no more than the Consumer Price Index (CPI), but the CPI is an economy-wide measurement of consumer goods and services that doesn't fit a transportation and delivery provider. The PRC has the ability to correct this mismatch and relieve the resulting financial pressure.

"Meanwhile, Congress should address the pre-funding burden it imposed in 2006, which requires USPS—alone among all public and private entities in the country—to pre-fund future retiree health care benefits at an annual cost of about \$5.8 billion," Rolando said. "It's important to note that this goes on the books as red ink whether or not it's actually paid in a given year."

### **Vote at Home Institute and Coalition gets an executive director**

Amber McReynolds, former director of elections for the city and county of Denver, was selected in mid-August as the new executive director of the National Vote at Home Institute and the National Vote at Home Coalition.

"This is truly a watershed event in the young history of this organization," said Phil Keisling, the coal-

tion's chairman and Oregon's former secretary of state. "To be able to attract someone of Amber's deep knowledge and perspective in this arena is an indication of how much momentum the vote-at-home model is starting to achieve."

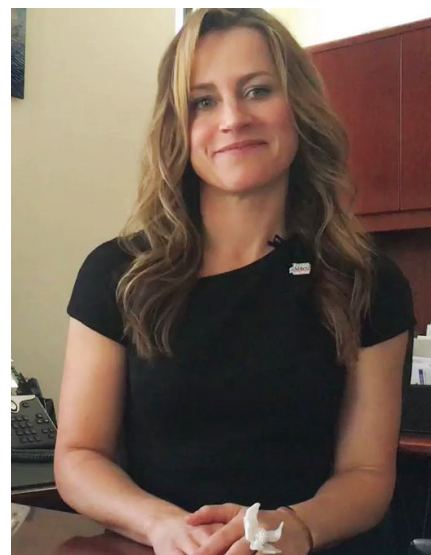
McReynolds' work on elections over the past dozen years in Denver has achieved national renown for innovation. She will be based in Denver for her new job.

The Washington, DC-based National Vote at Home Institute is a non-profit organization that encourages states and other localities to promote voting by mail. The institute says that 33 million Americans voted by mail in 2016, including many in Colorado, where vote-by-mail has been used since 2013. In addition to Colorado, the states of Oregon and Washington as well as 27 of Utah's 29 counties, 31 of North Dakota's 53 counties, five of California's 58 counties and the city of Anchorage, AK, have taken up the voting method.

### **In the media**

Several Michigan news outlets covered the NALC Convention held in Detroit in July, including the *Detroit Free Press*, *The Detroit News*, WJBK-DET FOX 2 and WWJ radio. Many made special note of the Veterans Group project of providing 2,000 homeless care kits.

In addition, Idaho State Association of Letter Carriers President **John Paige's** letters to the editor ran on *MagicValley.com* on July 23 and in the *Coeur d'Alene/Post Falls Press* on July 27. **PR**



**New National Vote at Home Institute and Coalition Executive Director Amber McReynolds**