



News from Washington

PRC rate-setting review complete, tax bill moves through Congress, more

The Postal Regulatory Commission (PRC) posted on Dec. 1 the findings of its 10-year review of the postage rate-making system, a review called for by the 2006 Postal Accountability and Enhancement Act (PAEA).

That law—which also tied the prices of “market dominant” postal products such as First Class Mail to the Consumer Price Index (CPI)—called for the PRC to launch a review of the pricing system after 10 years to determine whether the system was fulfilling nine specific objectives regarding, for example, financial sustainability, service quality and predictability.

Nearly a year in the making, the review found that the current pricing system is not working—a finding for which NALC, the other postal unions and the U.S. Postal Service had argued in written testimony and other evidence submitted to the PRC.

The PRC proposed a new, more generous pricing plan that would allow USPS to raise rates by up to two percentage points above the CPI each year (CPI+2), with the possibility of raising rates by an additional one percentage point (CPI+3) if certain efficiency and service-quality targets get met. This proposed new pricing system, set to last for five years before a new review, will be the subject of a rule-making proceeding involving a 120-day comment period in which interested parties, such as NALC, can participate.

“We will vigorously participate in this new rate-making proceeding,” NALC President Fredric Rolando said, “and we remain committed to achieving a sensible system of rate-setting that will be good for the public, the Postal Service and letter carriers.”

6-day mail moves ahead in Senate appropriations process

On Nov. 20, the Senate Subcommittee on Financial Services and General Government (FSGG) released its Fiscal Year 2018 appropriations bill. In a bit of good news for letter carriers, the bill included longstanding language preserving six-day mail delivery service.

That language, present in every appropriations bill signed into law since 1983, provides firm legal protection against arguments for cutting one or more days from the Postal Service’s weekly mail delivery schedule.

In the House of Representatives, preservation of six-day mail is the focus of H.Res. 15, which at press time had 242 co-sponsors from both political parties. Over the summer, the House Appropriations Committee passed its own bill that kept the six-day mail language intact as well.

“Even with such overwhelming support for six-day mail delivery,” President Rolando said, “letter carriers understand that we cannot afford to take anything for granted.” The president urged members to stay alert for updates via the free NALC Member App for Apple and Android smartphones, available for download at nalc.org/app.

‘Grossly unfair’ tax bill proceeds through Congress

Early on Saturday, Dec. 2, the Senate voted 51 to 49 to approve S. 1, the sprawling and harsh “Tax Cuts and Jobs Act” which, if it becomes law, will do little to benefit the majority of Americans.

“This bill is grossly unfair and bad for working families,” NALC President Fredric Rolando said as he urged members to tell their senators to oppose the measure.

Following a few procedural delays, none of the Senate’s 48 Democrats ended up voting for the bill, while Sen. Bob Corker (R-TN) was the lone Republican dissenter.

Among the Senate bill’s most troubling provisions are:

- Higher taxes for 93 million Americans who earn less than \$75,000 by 2027, after short-term cuts expire. Meanwhile, the richest Americans (the top 0.1 percent) would receive a \$208,000 average annual tax cut and mostly permanent relief.
- A repeal of the Affordable Care Act’s (ACA) individual mandate, raising health insurance premiums for most Americans and resulting in 13 million people losing insurance by 2027.
- A repeal of the deductions for the state and local taxes (SALT) and other tax provisions important to lower- and middle-class working families.
- The addition of \$1.4 trillion to the federal deficit over a decade, which would inevitably be paid for with future, automatic cuts to vital programs such as Medicare, Medicaid and Social Security, and with spending offsets, which could expose federal employee health and retirement benefit to future cuts.

The Senate bill contained a number of differences from a similar measure passed by the House of Representatives in November, including more than a few amendments that had been scribbled by senators onto copies of the draft bill as it was being considered. Reconciliation of these differences awaited conference committee



There will be no Branch Items, State Summaries or Retiree Reports in the February 2018 *Postal Record*. That edition will be the special annual tribute issue honoring contributors to the Letter Carrier Political Fund during 2017.

consideration as this issue of *The Postal Record* was being prepared.

DNC leaders boost vote-by-mail

In a Dec. 7 opinion piece for CNN, the leaders of the Democratic National Committee (DNC) lauded voting by

mail as a key way to help guarantee that future elections are fair and transparent.

“We must work with states to implement policies that make it easier to vote,” wrote DNC Chairman Tom Perez and Vice Chairman Keith Ellison.

Leading a list of such policies were vote-by-mail laws, ahead of other strategies to improve access to voting such as automatic voter registration,

same-day voter registration, expanded access to the polls and more robust voter-protection efforts.

“Democracy is at its best when every citizen is able to cast a vote,” President Rolando said. “Universal voting by mail could help ensure that every eligible voter in the country is able to exercise the right to take part in our nation’s democratic process.”

NALC is a founding member of the National Vote at Home Coalition (NVHC), which brings together voting-rights activists and organizations from across the country. Read more about NVHC in last month’s issue of *The Postal Record*.

Perez was secretary of labor under President Barack Obama from 2013

through the end of Obama’s second term in 2017. Ellison has represented Minnesota’s 5th Congressional District in the House of Representatives since 2007.

The piece was published on CNN’s website just as the DNC’s “Unity Reform Commission” was wrapping up its final meeting.

House legislation would double feds’ probationary period

On Nov. 30, the House of Representatives voted, mostly along party lines, to approve H.R. 4182, the Ensuring a Qualified Civil Service Act.

Among the measure’s most worrisome provisions is a call to change federal employees’ current one-year probationary period to two years, making it easier for federal agencies to fire new workers by extending their probationary window.

Although such a change would not affect our National Agreement’s probationary period provision for letter carriers, it would have an impact on the rights of letter carriers who have veterans’ preference.

In a letter to members of the House, President Rolando wrote that if the bill becomes law, it “will weaken the recruitment and retention of federal workers and diminish the overall pool of talented employees.”

Rep. Gerry Connolly (D-VA) agreed. “Almost no private-sector company I know of would have a two-year probationary period because they know it would make it hard to recruit talented employees,” said Connolly, ranking member of the House Subcommittee on Government Operations.

The bill also calls for requiring federal employees to have two years of continuous service under their

belts—instead of the current one year—before they would be able to exercise their right of preference to appeal any adverse actions to the Merit Systems Protection Board (MSPB). This is the provision that would adversely affect preference-eligible letter carriers.

Additionally, the act contains provisions designed to undercut due-process rights, whistleblower protections, and civil service protections against unjust managerial rulings in agencies other than USPS.

The legislation was proceeding to the Senate for consideration at press time.

In the news media

As reported in last month’s *Postal Record* (available for review at nalc.org), on Nov. 14 the Postal Service released its financial report for Fiscal Year 2017. President Rolando was quoted prominently in a number of news stories covering the report’s release by media outlets including *Government Executive*, Federal News Radio, *Linn’s Stamp News*, the Associated Press, *Forbes* and Press Associates Inc.

New York City Branch 36 letter carrier **Miguel Perdomo** has led an effort over the last 10 years to provide a Thanksgiving meal to scores of hungry people in the community where he delivers mail. A story about his work ran in *AM New York* on Nov. 15, on WNYW-TV and on *Harlem World* magazine’s website on Nov. 16, and on Philadelphia’s WTXF-TV on Nov. 21.

Idaho State Association President **John Paige** had letters published in Idaho’s largest newspapers in November and December—in publications such as *Twin Falls’ Times News*, *Idaho Press-Tribune*, *Idaho State Journal* and *Idaho Statesman*. **PR**