

Real progress on postal reform



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At the end of April, I testified on behalf of the NALC before the Committee on Oversight and Reform of the U.S. House of Representatives at a hearing on the financial condition of the U.S. Postal Service. The timing of the hearing was perfect. The day before, a bipartisan bill had been introduced by Reps. Peter DeFazio (D-OR), Tom Reed (R-NY), Xochitl Torres Small (D-NM) and Brian Fitzpatrick (R-PA) to repeal the 2006 congressional mandate to pre-fund retiree health benefits. The USPS Fairness Act (H.R. 2382) would remove the mandate that has accounted for 92 percent of the Postal Service's

losses since 2007. It would save the Postal Service billions annually. This is a huge step forward and NALC will work tirelessly to build support for it in Congress.

In my testimony, I urged the committee to seriously consider the repeal legislation or, if Congress wishes to maintain some sort of pre-funding policy, to dramatically reduce its burden by adopting a number of sensible reforms based on private-sector best practices, which I have explained in this space many times and which are outlined in the story on page 4.

It is, of course, a great honor to represent 290,000 members at a congressional hearing. But bearing witness to representative democracy in action can be both inspiring and dispiriting at the same time. It's inspiring because taking part in an oversight hearing is the crucial first step of democratic self-government—it is where citizens make their voices heard and where our representatives take our views into account before deciding on a course of action. It can also be dispiriting as bad information, lack of understanding and ideological agendas can cloud democratic decision-making. Both sides of the democratic coin—inspiring and dispiriting—were on full display at the hearing.

I won't spend too much time on the negatives, but letter carriers should know what we are up against. One of the witnesses at the hearing was from the Cato Institute, a libertarian think tank supported by corporate interests and dark-money billionaires. He claimed to be fighting for the interests of taxpayers, even though they do not fund the Postal Service. He advocated post office closings, service cuts and privatization. He extolled the wonders of postal privatization and deregulation in Europe while neglecting to mention that postage rates skyrocketed to treble the levels in the United States, or that

postal employment and the quality of service plummeted in every country that has adopted these policies.

Meanwhile, some members of the committee and other witnesses downplayed the central role of pre-funding in the Postal Service's financial troubles and urged the end of Saturday delivery along with other cuts in "labor costs," meaning our jobs, pay and benefits. Under questioning, the postmaster general even revived the self-defeating idea of ending six-day mail delivery as part of a soon-to-be released 10-year business plan. And one member of Congress spent most of his precious time for questioning witnesses ignoring the subject of the hearing to falsely claim that city letter carriers had violated the Hatch Act during the 2016 election.

On the positive side, many members of the committee—and especially the new members who were first elected in 2018—demonstrated their understanding that the primary financial problem facing the Postal Service is the retiree health care pre-funding mandate imposed on the Postal Service in 2006. This recognition was shared by the mailing industry's witness at the hearing, Joel Quadracci, the chairman and CEO of Quad/Graphics Inc., the country's largest printing company.

Indeed, Quadracci's testimony closely aligned with my own testimony in many respects. As a representative of the Coalition for a 21st Century Postal Service, a group with which NALC has worked to build consensus on postal reform, he focused on reforming the pre-funding mandate and stabilizing the Postal Service's finances. And perhaps most positively, Rep. Mark Meadows (R-NC), the key Republican member on the committee, made it crystal clear that neither he nor Committee Chairman Elijah Cummings (D-MD) would support the elimination of Saturday delivery.

At every opportunity during the questioning, I returned to the three essential steps for strengthening the Postal Service: addressing the pre-funding burden through repeal or reform, implementing a new rate-setting process once the Postal Regulatory Commission completes its 10-year review, and filling the seven vacancies on the USPS Board of Governors to permit the creation of a real business plan focused on innovation, revenue growth and expanded services.

It has been a long time since we have made progress on postal reform. The change in House leadership resulting from the 2018 midterm election was a huge step forward. We will work hard to pass positive postal reform legislation in the House of Representatives. The outlook for postal legislation on the Senate side of the Capitol remains murky. But we cannot let that stop us. Step by step, we will continue our efforts to strengthen the Postal Service and preserve affordable universal service while defending our jobs and standard of living.