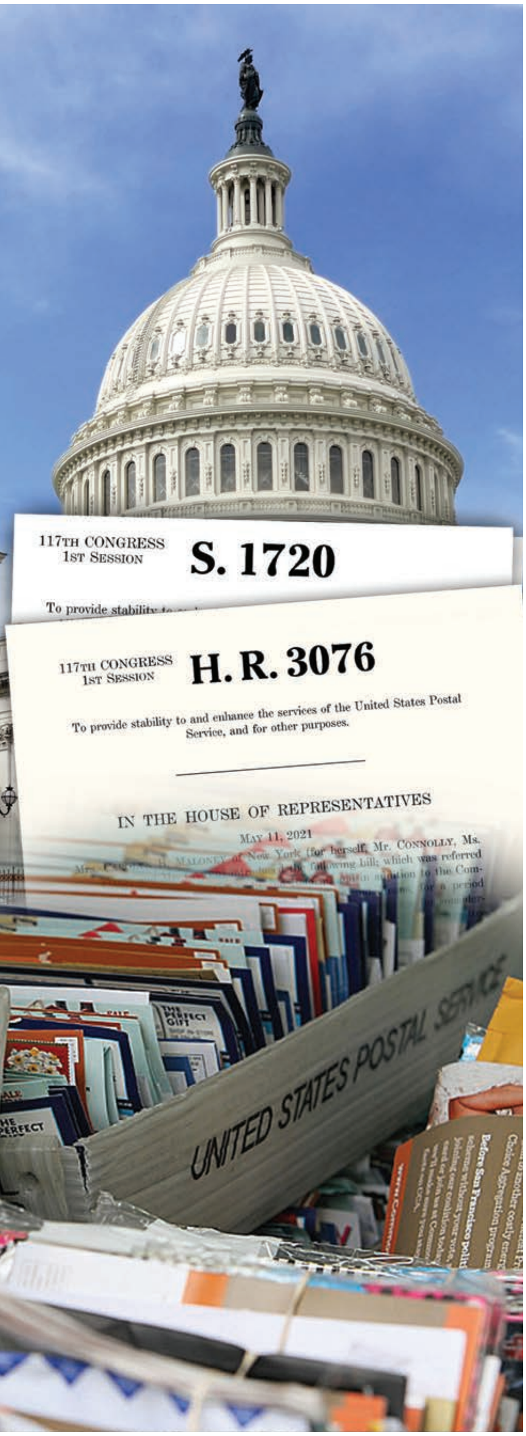
News

News from Washington

Postal reform in the new year?



As the second session of the 117th Congress begins in what will likely be a competitive election year, NALC remains focused on the passage of the bipartisan Postal Service Reform Act (H.R. 3076/S. 1720), a bill that aims to provide financial and operational stability to the agency. Since the bill's introduction in the House of Representatives and the Senate last year, both measures have continued to gain bipartisan support. As this magazine goes to print, the Postal Service Reform Act has 100 cosponsors in the House and 27 cosponsors in the Senate. As support continues to grow, it appears that the new year may bring passage of this critical legislation in Congress.

In 2020, during the 116th Congress, NALC came close to seeing postal reform enacted. Letter carriers may recall that the Postal Service Fairness Act (H.R. 2382), which would have eliminated the mandate to pre-fund future retiree health benefits, passed out of the House in February of that year. Unfortunately, the pandemic derailed the opportunity to advance the measure in the Senate.

Fortunately, in the 117th Congress, Democratic and Republican leaders on the House Committee on Oversight and Reform and on the Senate Homeland Security and Governmental Affairs Committee recognized the fundamental importance of the Postal Service Fairness Act and made it the foundation of H.R. 3076/S.1720.

This bill, the first major postal reform legislation introduced in 15 years, advances key priorities for NALC. First, H.R. 3076/S.1720 embraces the Postal Service Fairness Act and would repeal the mandate that the Postal Service pre-fund decades' worth of health benefits for its future retirees, which was enacted through the Postal Accountability and Enhancement Act of 2006. This mandate has cost the agency an average of $5.2 billion annually since going into effect in 2007 and is responsible for 84 percent of USPS losses since then.

Secondly, this legislation would reform the Federal Employees Health Benefits (FEHB) Program to maximize participation in Medicare once most active postal employees (as of Jan. 1, 2024) retire and reach age 65. Annuitants as of Jan. 1, 2024, and active employees age 64 and older as of Jan. 1, 2024, would have the choice of whether or not to enroll in Medicare Parts A and B. Additionally, annuitants over the age of 65 who previously had decided not to enroll in Medicare Part B would be given a one-time opportunity to do so with no late-enrollment penalty.

Additionally, the bill includes language that would mandate six-day delivery. It would require the Postal Service to provide semi-annual reports to Congress on the implementation of its 10-year strategic plan, a public dashboard using nationwide delivery metrics to track performance and use the most efficient means to transport mail, likely moving from air to ground.

NALC members should continue educating their members of Congress on the significance of the bill. To find out if your members of Congress are cosponsors, visit NALC's Legislative Action Center on nalc.org.

Senate continues work on White House Build Back Better agenda

In November, the House passed the Build Back Better Act, the $1.75 trillion spending and tax package that includes funding to support the nation's education system, climate provisions, health care and tax reform. At press time, senators were still working to finalize the package, a major part of President Biden's Build Back Better agenda, and to hold a vote on it before the new year.

As the Senate reviewed the bill, certain aspects of it were changing. Notably, the Senate increased the funding in the bill for the Postal Service's vehicle fleet to $6.9 billion. This was nearly $1 billion more than the $6 billion included in the House version.

Also of note to many letter carrier families is the status of the child-care tax payments. If senators failed to reach an agreement and pass the legislation before the new year, the child-care tax payments would stop this month. In 2021, this credit provided families with a combined family income of up to $150,000 or a single income of up to $112,500 with monthly payments of $300 for each child under six and $250 for each child between 6 and 17.

Negotiations and work to move this legislation through the Senate were ongoing. NALC will continue to monitor this legislation. For updates, check the "Government Affairs" section on nalc.org.

Kubayanda confirmed to Postal Regulatory Commission

On Dec. 7, the Senate unanimously confirmed Michael Kubayanda to serve as a commissioner of the Postal Regulatory Commission (PRC). Kubayanda, who has served as the chairman of the commission since January 2021, was renominated by President Biden. He has been a member of the PRC since 2019. His new term will expire on Nov. 26, 2026.

Michael Kubayanda

"I am humbled and honored to have the opportunity to continue to work alongside my fellow commissioners and the talented staff of the commission," Kubayanda said. "The commission's work is fundamental at a time of great challenge and opportunity for the nation's mail system."

Prior to his service on the PRC, Kubayanda served as a board member and privacy officer for a digital health startup. He also previously worked with the USPS Office of Inspector General and as counsel to the House Committee on Oversight and Reform.

The PRC is the independent body that exercises regulatory oversight over the Postal Service. Its responsibilities include preventing anticompetitive practices, promoting accountability, adjudicating complaints, setting postal rates and helping oversee delivery service standards. The PRC has five commissioners; they are nominated by the president for six-year terms and confirmed by the Senate.

"NALC congratulates Michael Kubayanda on this important confirmation," NALC President Fredric Rolando said. "We look forward to his continued leadership at the Postal Regulatory Commission."

Congress funds government through Feb. 18, avoiding shutdown

On Dec. 2, Congress passed a continuing resolution that will fund the government until Feb. 18. House members voted 221-212 and senators voted 69-28 for the resolution. President Biden signed the bill into law on Dec. 3, narrowly avoiding a government shutdown before the Dec. 3 midnight deadline.

This short-term fix includes funding to sustain federal agencies until the Feb. 18 deadline, $7 billion to help resettle refugees from Afghanistan and $1.6 billion to assist immigrant children who arrive at the border without a parent.

The funding through Feb. 18 gives lawmakers time to focus on other priority legislation, including the Build Back Better agenda. **PR**

"As the second session of the 117th Congress begins in what will likely be a competitive election year, NALC remains focused on the passage of the bipartisan Postal Service Reform Act (H.R. 3076/S. 1720), a bill that aims to provide financial and operational stability to the agency. Since the bill's introduction in the House of Representatives and the Senate last year, both measures have continued to gain bipartisan support. "