

Postal Conference Still Waiting for House Conferees

The House Leadership had yet to appoint the House managers to the Conference Committee on H.R. 22, the Postal Enhancement and Accountability Act. The Senate Leadership appointed its managers, on February 9, as part of the motion to pass the legislation.

The delay does not appear to be related to any political mischief or substantive controversy about the bill. Rather, the delay is attributed to the House of Representatives' unique procedural bureaucracy and the variety of rules under which the House operates in appointing conferees. Those rules differ from Senate rules governing Conference appointments. One Congressional staff person remarked to me that appointing conferees in the Senate is a "piece of cake" compared to trying to pass a bill. For example, one of the rules under which the Senate presently operates stipulates that there should be a two-seat Republican majority among its members to any Conference. The House Speaker is granted considerably more latitude establishing the number and partisan makeup of House conferees. Therefore, it can take substantially more time. Nonetheless, when selecting Conference managers the House and the Senate Leadership should consult with the Committee of jurisdiction's Chairman and Ranking Democrat in selecting Members from that Committee. In addition, a majority of the managers appointed from each legislative body must represent that House's position on the pending legislation.

An interesting, though arcane, Conference fact is that each House of Congress gets one vote in conference. Therefore, theoretically, the managers of the House and managers of the Senate vote independently. However, in reality, Conferences operates under rules that are not clearly defined, and many conferences have ignored, or excluded Minority party input. Consequently, in recent memory, authentic Conference Committees have been relatively rare.

However, Congressional observers believe that the postal Conference will be a much-needed departure from the Conference norm for a number of reasons.

- All major Conferees will be recognized postal reform advocates. For example, Rep. John McHugh (R-NY) and Sen. Daniel Akaka (D-HI) are congressional postal experts, beginning their oversight of the USPS more than a decade ago, when both chaired Subcommittees having jurisdiction over the agency – for Sen. Ted Stevens (R-AK) it has been much longer.
- Senate Homeland Security and Governmental Affairs Chairman Susan Collins (R-ME), Ranking Committee Democratic Joseph Lieberman (D-CT), and Sen. Tom Carper (D-DE) collaborated on the Senate bill, while House Government Reform Chairman Tom Davis (R-VA) and Ranking



Committee Democrat Henry Waxman (D-CA) joined forces to craft the House bill. This two-House bipartisan effort and a public commitment to continue to work together make it more difficult – though not impossible – for charged partisan deliberations and outcomes.

- For a considerable amount of time, the major players have been conducting an ongoing dialogue about vital aspects of the legislation. Consequently, it is unlikely that there will be major Conference surprises.
- The differences between the House-passed and Senate-passed versions of postal reform are limited to a few key provisions, which will permit the managers to narrow the focus of the conference and enable staff to prepare accordingly.
- Staff members for all the major Conference players are familiar with one another and have worked together.

Like most other organizations in the postal world, NAPUS is understandably anxious about the Conference, but we are eager for it to begin.

TSP G-Fund Not At Risk

NAPUS has been deluged with letters, calls and emails regarding a fear that the recent U.S. Treasury Department dip into the Thrift Savings Plan (TSP) G-Fund could jeopardize retiree savings. The short answer is that G-Fund remains safe and sound.

In mid-February, Treasury Secretary John Snow advised Congress that it started to borrow money from the G-Fund to avert reaching the \$8 trillion statutory debt limit. Snow warned Congress that it must pass a \$781 billion increase in the debt limit within the next two weeks, or push the government into default. Since it is a potentially embarrassing exercise to vote on increasing the debt, political posturing is par for the course. More than anything else, this almost annual debt-ceiling charade is more about politics than about the financial integrity of the Federal government or the G-Fund. The debt increase would be the fourth in five years and would push the national debt up by \$3 trillion under President Bush. Both Republican and Democratic Administrations have used this bookkeeping shell game to avoid a default on government securities. And just as important, every time that specter of default raises its evil head, Congress votes to increase the government's statutory borrowing authority – sometimes by voice vote. (An interesting footnote to this fiscal gimmickry is that the U.S. Postal Service has been able to eliminate its debt.)

The G-Fund invests its \$65.3 billion exclusively in U.S. Treasury securities. Since the other TSP funds invest in stocks and bonds, they are beyond the reach of the Treasury Department. According to Secretary John Snow, the federal government would not have been able to meet its obligations without the temporary loan from the G-Fund. NAPUS members who participate in the G-Fund should be confident that their retirement funds are fully protected. The law requires that once Congress raises the debt limit – which it is expected to do by mid-March – the Treasury Department must repay to the G-Fund the funds that have been borrowed plus any interest that would have been earned on those funds had the funds remained in the G-Fund. Consequently, TSP G-Fund asset are secure.

**National Association of
Postmasters of the U.S.**

**8 Hebert Street
Alexandria, VA 22305**

**Tel. 703-683-9027
Fax. 703-683-0923**

Email: blevi@napus.org

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www.napus.org