



E-NAPUS Legislative Newsletter

May 13, 2005

Volume 2, Number 17



Waiting for the White House

A month ago, the House Government Reform Committee passed H.R. 22, the Postal Enhancement and Accountability Act, by a unanimous 39-0 majority. Two weeks later, on April 28, the Committee filed its comprehensive legislative statement (House Report 109-66), which presents a detailed explanation of the bill and the history of why H.R. 22 is essential for the long-term viability of the USPS. You may ask – Now what?

Clearly, the White House and House postal enhancement advocates, including the 39 members of the Government Reform Committee who voted in favor of H.R. 22, disagree about the financial responsibility of the military retirement credit for CSRS postal retirees, and the status of the USPS overpayment into the CSRS escrow account. The White House wants the Congress to adopt the Administration's position that the military credit should be a USPS obligation and that the CSRS overpayment should be used exclusively to pay-down the USPS' unfunded health insurance liability. The Administration would like to resolve these two issues – in its favor – prior to a floor vote on H.R. 22.

Major mailers and the postal coalition are urging White House officials to be more flexible on these issues, if the Administration truly desires postal legislation this year and avert a 2006 postal rate hike. Corporate leaders within the mailing industry have stated that the upshot of the Administration position is a \$3.1 billion stamp tax on all postal customers. They point to Postmaster General Potter's testimony before the Postal Rate Commission and Congress, where he stated that the sole reason that the USPS filed for a 5.4% across-the-board postage increase is the failure to resolve the CSRS issue.

The White House Office of Management and Budget asserts that addressing the CSRS issue to the satisfaction of postal customers would result in a significant revenue loss to the "unified federal budget." Under arcane federal budget rules, postage equals revenue for the government. Therefore, to the extent that the USPS raises rates, for whatever the reason, that postage is added to all other revenues collected by the federal government. Therefore, if postal customers were relieved of the unnecessary 5.4% rate increase (\$3.1 billion per year), it would mean that the federal government would have \$3.1 billion less income to offset against the budget deficit.

The Administration position on H.R. 22 is important because the House Republican Leadership (i.e., Speaker Dennis Hastert, Majority Leader Tom DeLay, and Majority Whip Roy Blunt) has been extremely deferential to the White House position on all legislative matters. During the over-five-year Bush Presidency, the President has yet to veto a bill. In a large part, this is the result of considerable coordination between the White House and Congressional Leaders on most legislative matters. Consequently, Congressional Leaders and the White House tend to work out differences before either gets embarrassed.



David Dreier, Chairman
Rules Committee



Louise Slaughter,
Ranking Democrat,
Rules Committee



Pete Sessions, Member
Rules Committee

**Bob Levi, Director of
Government Relations**

**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

We are on the Web!

When the White House and the House Leadership Are Ready ...

to schedule the H.R. 22 for a vote on the floor, the Leadership can select either of two ways to consider the bill. The simplest strategy is *Suspension of the Rules*. This procedure is used by the House to act expeditiously on relatively "non-controversial" bills. (The Postmasters Equity Act was considered this way.) When a bill is considered "under suspension," debate is limited to 40 minutes, equally divided between the Committee Chairman and the Ranking Democrat. Floor amendments are prohibited, and a two-thirds majority is required for passage. Usually, Mondays and Tuesdays are set aside for considering bills under suspension of the rules. House Government Reform Chairman Tom Davis (R-VA) has wanted to bring H.R. 22 to the floor under suspension of the rules. He strongly believes that the unanimous support of the Government Reform Committee, combined with overwhelming bipartisan cosponsorship of the bill (135 cosponsors as of May 13) qualifies the bill for consideration under suspension. However, there appears to be a few obstacles to this expedited procedure – the Congressional Budget Office cost estimate of \$5.9 billion, the possibility that Representatives may desire to offer parochial amendments, and White House concern about the two-fold CSRS issue.

Consequently, H.R. 22 may be brought up under a *Rule*. This means that before the bill can be debated on the House floor, it must first go to the House Rules Committee. This Committee is charged with deciding which bills will come to the House floor, and under what conditions the bills will be considered. As such, the Committee is powerful and political. The Committee establishes the terms of debate, the allocation of debate time, and the number and nature of amendments. For example, if the House Leadership wants to severely curb amendments, it can instruct the Rules Committee to report a *closed rule*, meaning no amendments and limited debate. The Committee can also report a *modified closed rule*, limiting amendments and limiting debate. Or, the Committee can report an *open rule*, providing for a more freewheeling amendment and debate process. In addition, the Committee can report a rule that waives other House rules, which ordinarily would prohibit the consideration of a particular amendment to the bill, or a provision already in the bill. At times, the Committee, under instructions from the Leadership, can rewrite bills that were already approved by another House Committee.

Normally, the Rules Committee deliberates over a particular bill the week prior to, or a few days before the consideration of the bill in question. Once the bill gets a rule from the Committee, the Leadership will place the rule and the bill itself on the House calendar. On the appointed day, a Republican Member of the Rules will ask the House to approve the rule. The House will debate the rule. If the rule passes, the House can then consider the underlying bill. If the rule fails, the bill cannot be considered until such time as a rule for the bill can be adopted. Unlike a suspension, which requires a two-thirds majority, the rule requires a simple majority for passage of a bill.

Rep. David Dreier (R-CA) Chairs the Rules Committee, Rep. Louise Slaughter (D-NY) is the ranking Democrat, and the partisan breakdown is 9 Republicans and 4 Democrats. Rep. Pete Sessions (R-TX) is the Rules Committee member responsible for legislation reported by the Government Reform Committee.