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House Postal Appropriations

FY 2006 \$115,917,000
FY 2007 108,915,000

House OKs Postal Appropriations

On Wednesday, the House of Representatives approved H.R. 5576, the \$139.7 billion Transportation, Treasury, Housing and Urban Development, Judiciary, District of Columbia, and Independent Agencies Appropriations Act for Fiscal Year 2007. The House passed the legislation by an overwhelming 406-22 majority. Although the bulk of the funds are obligated to the Departments of Transportation, Treasury, and Housing and Urban Development, H.R. 5576 also includes funds for the Postal Service. The bill was managed on the House floor by Appropriations Subcommittee Chairman Joseph Knollenberg (R-MI) and Subcommittee Ranking Democrat John Olver (D-MA).

H.R. 5576 contains \$108.9 million for the Postal Service. This USPS allocation is \$29 million more than the amount the White House intended, but about \$44 million less than what the USPS requested for the upcoming fiscal year, which begins on October 1. In addition, it is \$7 million less than the Fiscal Year 2006 appropriation. The Congressional appropriation is intended to reimburse the USPS for legislatively mandated free or reduced postage for mail for the blind, overseas voters, and nonprofit organizations. The Committee Report that accompanied H.R. 5576 (House Report 109-495) restated the fact that: "Congress does not provide funds for either general operations or capital investments." As postmasters know, postal rate-payers bear these costs.

In addition, the Committee Report and the underlying legislation reinforce Congress' continued commitment to a universal postal service. H.R. 5567 "prohibits funds from being used to consolidate or close small rural and other small post offices." Not only would these actions devastate rural and small communities, the shuttering would save only minimal postal funds. The potential tradeoff would not be worth the impact on nondiscriminatory mail service and USPS goodwill. In fact, the National Governors Conference (NGA), in a recent "Policy Position" recognized that: "The local post office is a critical component of the economic and social fabric of communities across America." The Governors went on to caution: "As it considers the community impact, the USPS must provide meaningful [emphasis added] public input and take into consideration whether the community served by the post office is opposed to the decision." For years, NAPUS has worked with Members of the House and Senate Appropriations Committee and the Congressional Rural Caucus to include small post office protection language in appropriations legislation. Also, H.R. 5576 also includes a provision, which requires that 6-day mail delivery and rural mail delivery continue at not less than the 1983 level.

Another appropriation issue that may have an effect on the USPS is a



Rep. William
Jefferson (D-LA)

provision in H.R. 5576 that requires the federal government to provide its civilian employees with a 2.7% pay raise. This pay raise is similar to the one being contemplated for military personnel. This provision may have ramifications for the USPS, because within the next few months the Postal Service will commence contract negotiations with all of its unions. The government employee pay raise could be used as a measure by which a postal arbitrator, the USPS, or the unions themselves can evaluate and guide pay deliberations.

The Senate Appropriations Subcommittee that has jurisdiction over postal funding has yet to schedule its meeting to draft a Senate Appropriations bill.

Jefferson Loses Committee Post

Today, the House stripped Rep. William Jefferson (D-LA) of his seat on the key House Ways and Means Committee by voice vote, and without debate. Although Jefferson is not charged with any crime, he is the subject of a federal corruption probe regarding the alleged misuse of his office. As part of its investigation, the FBI discovered \$90,000 in Jefferson's freezer and raided his Washington Congressional office. Rep. Jefferson is known to the federal employee and retiree community for his interest in alleviating the impact of the Government Pension Offset (GPO) on CSRS annuitants. The discriminatory GPO reduces Social Security benefits of many CSRS retirees.

Yesterday, the House Democratic Caucus voted 99-58 to recommend that Rep. Jefferson be removed from the Ways and Means Committee. This exclusive Committee has jurisdiction over tax policy, trade, Medicare and Social Security.

The Jefferson situation is embarrassing for Democrats because the party has been particularly vocal in accusing the GOP of promoting a "culture of corruption." Up until this point, Democrats have pointed to convicted GOP lobbyist Jack Abramoff, and former Representatives Tom DeLay and Duke Cunningham as poster boys for Washington corruption. As a result, House Minority Leader Nancy Pelosi (D-CA) felt the political necessity to take decisive action against one of her own.

NAPUS Chapter Conventions Pushing Politics and PAC

NAPUS Chapter Conventions have drawn sizeable attendance and attracted significant political participation. These two factors illustrate the importance of attending NAPUS events. For example, New Jersey Senator Robert Menendez took part in the Garden State's Chapter Convention, and Representatives Tom Allen and Michael Michaud spoke at the Maine Chapter Convention. Moreover, Sen. Susan Collins spoke to her NAPUS constituents through the magic of video. Throughout the country elected officials have participated in NAPUS events, affirming their support of postal reform, expressing their appreciation of postmasters for supporting their efforts, and expressing respect for the work that postmasters do.

The Conventions have also served as an effective venue to promote NAPUS PAC, which provides political assistance to Congressional allies. We are using Conventions to advance novel methods to contribute to NAPUS PAC. For example, salary withholding through *PostalEase* is growing in popularity, and

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NAPUS will shortly unveil a new method – automatic allotment from your NAPUS Federal Credit Union account. National PAC Chair Ron Woods (Chetopa, KS), your Chapter PAC Chairs, and the Government Relations Department are constantly investigating ways to make contributing to NAPUS PAC more convenient and will enhance our political presence.