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Legislative Days
to Summer
Recess

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Unresolved Issues Continue to Stifle Deal

With only a handful of days remaining before the Congressional summer break, an H.R. 22 Conference Agreement continues to elude congressional postal reform advocates. However, the spate of last week's negativism among members of the postal community has not undermined a renewed effort by the advocates to reach an accord. In fact, congressional staff discussions to address the points in contention appear to have accelerated and intensified. NAPUS is carefully monitoring the proceedings.

Late last week, a number of postal employee groups, including NAPUS, publicly expressed concern about the Administration's inflexibility regarding its year-old *Statement of Administration Policy* (SAP) on H.R. 22. In a recent meeting with Chairmen Tom Davis and Susan Collins, Sen. Tom Carper and Rep. Henry Waxman, high-level White House personnel reiterated the President's support of a suffocating postage price index and controversial labor arbitration changes. In addition, the Administration continues to object to the elimination of the CSRS escrow account and restoring the US Treasury's liability for the CSRS military service credit.

According to well-placed observers, the Administration's tenacity on these points is being bolstered by a number of commercial mailers and, interestingly enough, possibly the USPS itself. This handful of mailers was never interested in reform unless the bill hermetically seals postage at below-CPI rates and eliminates the objectionable CSRS provisions. As a result, if the rates are not severely capped, the group would oppose the Conference product and wage a quixotic quest to pass a stripped down CSRS-only postal bill in the next Congress.

While recent history has documented USPS disdain for the pending legislation, many postal pundits believe that the Board of Governors has quietly urged the White House to stick to its guns on the SAP's anti-labor provisions. According to these sources, the USPS knows full well that if these provisions find their way into a Conference Agreement the four major labor unions would drive a stake through the heart of the bill – not an undesirable outcome for the USPS.

One of the main flash points between the House and Senate Committee is creating a workable rate system that balances price stability and predictability, with the need to adjust rates in limited circumstances. In June, NAPUS and other employee groups submitted a viable proposal that accomplishes this goal to a coalition of mailers. The mailers coalition has yet to respond, or make a counteroffer. Nonetheless, NAPUS believes that Congress appreciates the weight with which the employee groups give the "exigency" provision. A rational exigency section is an absolute necessity to equip the USPS with

resources to sustain the service standards that the mailing public demands and deserves. Should the Conference Agreement fail to produce a reasonable "exigency" provision, the employee groups have served notice that they would fight the Agreement.

Next week, Committee staff may finalize an outline of the staff agreements that will be presented to their bosses for approval and render into legislative language. An interim document is reported to have raised objections by former Postal nemesis, now Postal partner, UPS. What appears to be happening, notwithstanding White House fidelity to its one-year-old SAP, is that Congress is making a concerted effort to bridge the differences between the House and Senate-passed versions of H.R. 22. If Congress succeeds, it falls upon the House to assign conferees, and the House and Senate Leadership to schedule floor consideration of a Conference Agreement.

President Bush's 5½ year tenure has been characterized by the GOP Congress not scheduling bills that White House legislative staff asserts the President would veto. (This week, President Bush exercised his first veto on legislation to permit federal funding of stem cell research.) It is critical that Congress not abrogate its constitutional prerogatives to the Executive Branch on postal reform. Culpability for failure to bring the bill to the floor would rest with the Congressional Leadership.

NAPUS Senate Ally in Horse Race

On Thursday, the Quinnipiac University released a poll that found **Sen. Joseph Lieberman** trailing his primary opponent, Ned Lamont, by 4 points (47% to 51%), among likely primary voters. Taking in account the poll's 2% margin of error, the race is a dead heat.

As an electoral insurance policy, Lieberman is collecting petition signatures in order that he appears on the November ballot, as an Independent, should he lose the August 8th Democratic primary. The same poll that has Lieberman trailing in the primary shows him leading in a three-way November election, with the support of 51% of likely voters, compared to 27% for Lamont, and 9% for Republican candidate Alan Schlesinger

It is likely that Sen. Lieberman's reversal of fortunes in the primary is attributable to strong anti-Iraq War sentiments among CT Democratic activists, and \$1.2 million in attack ads being lobbed at him by Lamont. Moreover, the Senator's multi-millionaire Democratic primary opponent is highly critical of Lieberman's bipartisanship and working relationship with the White House. Lamont has poured \$2.5 million of his own money into the campaign to deny Lieberman the Democratic nomination.

NAPUS strongly supports Sen. Lieberman. He has a close and deep working relationship with CT postmasters and NAPUS Headquarters. As the immediate past Chairman of the Senate Governmental Affairs Committees, and the current ranking Democrat of its successor committee, Sen. Lieberman has championed issues that benefit postmasters, postal employees, the postal community, and the entire federal workforce. Lamont has no record or experience in grappling with issues of concern to the postal and federal employee communities. Lamont appears to be solely an anti-war candidate. Consequently, NAPUS urges active and retired postmasters to assist Senator Lieberman's efforts to win the August 8th Democratic Primary.

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