



# e-NAPUS Legislative Newsletter

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## Holding A Supreme Sprint

Last Friday, Supreme Court Justice Sandra Day O'Connor notified President Bush that she intends to retire upon the confirmation of her replacement. Moreover, there is considerable speculation that Chief Justice Rehnquist will also announce his retirement shortly. In anticipation of two court vacancies, the Senate is primed to battle over potential successors. This presents postal reform advocates with a daunting challenge – getting S. 662 to the Senate floor before the summer recess. A 3-week postal sprint to the floor would be the strategy for the Senate to employ to consider the Collins-Carper bill before an explosive post-Labor Day floor fight over Supreme Court nominees. Indeed, the toxicity of such a battle, combined with votes on any remaining Appropriations bills will make it virtually impossible for the Senate to deliberate over additional legislation in the fall.

Therefore, it will be essential that Senate Homeland Security and Governmental Affairs Chairman Susan Collins (R-ME) get a commitment from Majority Leader Bill Frist (R-TN) that S. 662 will be scheduled in July. To accomplish this, the Committee will have to file its Committee Report (a detailed explanation of the bill) and be confident that no Senator will place a “hold” on S. 662.

The “hold” is an informal, yet powerful, Senate procedure that enables a single Senator to keep legislation off the floor. In recent memory, this obstructive procedural tool has been employed anonymously. In practice, a Senator informs the Leadership that he or she does not wish a particular bill to reach the floor. The Leadership need not follow the Senator's wishes, but is on notice that the Senator requesting the hold may filibuster any motion to proceed to consider that measure. Basically, the Senator is threatening to talk endlessly, objecting to the mere debate of a bill. The “hold” is particularly effective at the end of a congressional session, or close to a recess period. At such times, the Senate Leadership simply does not want to spend precious floor time, attempting to garner the 60 votes necessary to invoke cloture and end a filibuster.

As the result of the clock running on a Supreme Court confirmation fight and the possibility of a “hold” (though no Senator has voiced any intention to place a “hold”), Chairman Collins and Senator Carper have been working tirelessly to dot the “i's” and cross the “t's” on S. 662. They are working with their colleagues assuring them that their concerns are being addressed in the measure, or that accepting their recommendations could have a devastating effect on the USPS. Concurrently, NAPUS and other postal enhancement advocates are urging House and Senate members to schedule a floor vote on S. 662 and H.R. 22. The mad sprint continues and the finish line may very well be in sight.



Retiring Supreme  
Court Justice Sandra  
Day O'Connor



Chief Justice William  
Rehnquist

## Japan Prime Minister to Postal Authority – “Sayonara”

During the week, President Bush has been participating in the G-8 Summit Conference, in Scotland. Also, attending the conference is Japanese Prime Minister Junichiro Koizumi. The conference enables the world's eight economic powers to discuss global financial issues. One of the side discussions that conceivably could have come up between President Bush and PM Koizumi is postal reform.

Just this week, the Japanese Prime Minister threatened to dissolve the Japanese legislature if his “postal privatization” plan is rejected. He was quoted in the press as stating that he would interpret a rejection as a “vote of no confidence” against his administration. Although the Japanese postal agency is dramatically different than the USPS, the PM's rhetoric demonstrates the volatility of postal issues. In addition to handling mail, the Japanese postal authority is the nation's largest insurer and financial institution.

Nonetheless, it is noteworthy that PM Koizumi is staking his political fortune on the future of Japan's postal service. One wonders if President Bush would do the same, and whether a conversation took place between the two leaders about the 2 countries' divergent approaches to postal activities.

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## Postage Increase? Charge It!

Last week, the *e-NAPUS Legislative Newsletter* reported on PMG Potter's testimony before the Postal Rate Commission. The only PRC query of the PMG related to the possibility of the USPS borrowing money to cushion the blow from the proposed CSRS escrow-caused 5.4% rate increase. The PMG indicated that the USPS would frown on the idea. Now, it appears that the White House, at the request of mailers, is weighing in. The Administration is suggesting that H.R. 22 and S. 662 be amended to permit the USPS to increase its borrowing authority to cover the payment into the CSRS escrow account. (Currently, both bills would eliminate the account.) The Administration argues that financing the rate increase would be cost-neutral, since anticipated escrow payments would continue and be counted as government revenue. Ironically, in the recent past, Administration officials and Members of Congress have berated the USPS for running a debt – a financial position that the USPS has recently rectified.

On another front, the Administration and the authors of postal legislation are moving closer to resolving their disagreement over the obligation to finance postal retirees' CSRS military retirement credit. Public Law 108-18 shifted the responsibility from the Treasury to the USPS; and H.R. 22 and S. 662 would restore the Treasury's responsibility to fund the credit. It seems that the White House is now suggesting that the USPS responsibility be only prospective. This proposal would make the treatment of the USPS similar to the treatment of the Patent and Trademark Office – the only other federal agency required to cover the military retirement credit of CSRS retirees.

Finally, it is likely that the White House will forward to Congress its “Statement of Administration Policy” in the near future. This document would layout the Administration's position on H.R. 22 and S. 662, removing an impediment to a House and Senate floor vote on postal legislation.



President Bush &  
Japanese Prime  
Minister Koizumi

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