



# *eNAPUS Legislative & Political Bulletin*

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## CONGRESS PASSES POSTAL REFORM – HR 6407



I Found A Cure for the Postal Reform Blues!

In the wee hours of Saturday morning, the Senate passed H.R. 6407, postal reform legislation that the House had passed only hours earlier. On Monday, it is expected that the engrossed bill will travel a mile down Pennsylvania Avenue to the White House, where President Bush has ten calendar days to sign the measure, which he is expected to do. NAPUS is proud that it has been a steadfast proponent of postal reform, working over the past decade with such postal champions as Senators Susan Collins, Tom Carper, Daniel Akaka, Joseph Lieberman, and Reps. John McHugh, Tom Davis, Henry Waxman, and Danny Davis. NAPUS postmasters can be satisfied that our over-decade-long efforts have been rewarded with legislation that will ensure a viable, responsive, and universal USPS for many years to come.

Ever since Congress' pre-election recess, which began in late September, the Congressional postal reform crew and their staff members worked diligently and, at times, manically to breach the differences between the House and Senate postal bills (HR 22 and S 662). As you may recall, prior to the fall break, Homeland Security and Governmental Affairs Chairman Susan Collins (R-ME) and Sen. Tom Carper (D-DE) negotiated an agreement with the White House to release the CSRS escrow account and restore the U.S. Treasury's responsibility for financing the CSRS military retirement credit for postal employees who served in the armed forces. Sen. Collins was ready to bring the White House-sanctioned legislation to the Senate floor, but the NALC objected to a provision in the bill that would have eliminated the 3-day continuation-of-benefits under the Office of Workers' Compensation Program (OWCP). In addition, House passage of the Collins/Carper compromise was problematic due to incoming House Government Reform Chairman Henry Waxman's concern about Congress prescribing the new postal rate system, and questions about the magnitude of worksharing discounts extended to certain mailers. Over the recess and through the last two weeks, Sens. Collins and Carper, and incoming and outgoing House Government Reform Chairmen Waxman and Davis have engaged in frank discussions about reconciling their differences. Incoming Senate Governmental Affairs Chairman Joseph Lieberman (I-CT) and the father of postal reform, Rep. John McHugh, entered into discussions in efforts to push the measure over the finish line before Congress adjourned. Particularly noteworthy was the heroic efforts of Sen. Carper.

Up until Tuesday, three issues evaded resolution: the different regulatory philosophies between the HR 22 and S 662, a provision in S 662 affecting discounts to presort mailers, and a section in S 662 regarding continuation of pay benefits for injured postal employees. On Tuesday, Collins, Carper, Davis, and Waxman came to an agreement on the 3 differences. On Wednesday, they

began to share their product with the postal community, including NAPUS. In sum, the measure provided for a ten-year period that postal rates would be calculated using the language included in S 662. After that period, the postal regulator would review how the system worked, using the goals set forth in the legislation. After its review, the regulator could revise the rate system. The agreement adopted the HR 22 language regarding worksharing discounts, and retained the S 662 provision that eliminated the 3-day OWCP continuation of benefits.

On Thursday morning, Rep. Davis, Waxman, McHugh, and Danny Davis (D-IL) introduced HR 6407, the postal agreement. It was anticipated that the bill could be brought up as early as Thursday afternoon, but a procedural obstacle made this effort impossible. So, Sens. Collins and Carper attempted to bring up the bill that evening, under "unanimous consent." Under this procedure, a single Senator could stop the process – which indeed happened. Sen. Patty Murray (D-WA), the incoming Chair of the Appropriations Subcommittee having jurisdiction over the USPS, raised an objection about an arcane provision in the bill that funds the postal regulator and the newly created inspector general of that regulator. Apparently, the funds would be deducted from the appropriations sum allotted to Sen. Murray's Subcommittee. So, on Thursday night, the bill was not ripe for Senate passage.

On Friday, Sen. Carper pulled out all stops to help address Sen. Murray's objection. In addition, my colleague from the National Rural Letter Carriers Association, Ken Parmelee, and I trolled the halls of the Senate to help Sen. Carper and Collins defuse the problem. In the late afternoon, a solution was devised by Sen. Carper that addressed Sen. Murray's objection. It was acceptable. So, the language was sent to the House to mesh with HR 6407.

At around 10:30 PM, the House of Representatives took up HR 6407, amended the bill to include the agreement addressing Sen. Murray's objection, and passed it by a voice vote. Speaking in favor of the legislation was Chairman Tom Davis, and Reps. John McHugh, Danny Davis, and Carolyn Maloney (D-NY). On to the Senate. On Saturday morning, sometime after 2:00 AM, Chairman Collins and Sen. Carper addressed their Senate colleagues about the pending legislation on the floor and expressed appreciation to their staff members, Ann Fisher and John Kilvington, for their hard work. Outgoing Senate Majority Leader Frist (R-TN) complimented the efforts of Sens. Collins and Carper in bringing the bill to the floor for passage. Shortly thereafter, at about 2:45 AM, the Senate passed HR 6407 by unanimous consent.

So now, HR 6407 is on its way to President Bush. A Presidential signature will mark the first time in 35 years (i.e., since President Richard Nixon) that comprehensive postal reform has been enacted. It has been a long tortuous and struggle, but, as I explain to everyone, well worth the effort.

Ironically, the Senate confirmed Dan Blair as a member of the Postal Rate Commission, right after passing HR 6407. Dan served as the first staff director of the House Subcommittee on Postal Service, which was chaired by Rep. McHugh. Moreover, in 1995, Dan helped draft the first very first version of postal reform. The legislation provided the new postal rate commission with enhanced authority over the USPS and would necessitate major adjustments to undertake its new empowerment. The seeds for the new regulator it powers were sown by Commissioner Blair over 11 years ago. What goes around comes around.

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