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PRC Chairman Dan Blair, Vice-Chair Mark Acton (r) and Commissioner Tony Hammond (l) at June 5th Hearing



Chokio MN Postmaster Dennis O'Neill



NAPUS PO Closing and Consolidation Committee Member Retired Postmaster Lyle Puppe

PRC Traveling Road Show

In late May, the Postal Regulatory Commission (PRC) conducted its first of four public hearings on the USPS Universal Service Obligation (USO). Three hearings have been scheduled outside of Washington: May 21, in Flagstaff, AZ; June 5, in St. Paul, MN; and June 19, in Portsmouth, NH. The fourth hearing is tentatively set for the summer, in Washington. In addition, the Commission has scheduled a June 12th Washington workshop on the USO, which will be moderated by Chairman Dan Blair. The 2006 Postal Reform law requires the PRC to “consult” with its customers, stakeholders, and the general public in conducting its Congressionally-mandated USO study. Consequently, the PRC decided to take part of its USO exploration outside of the “Capitol Beltway”; the Commissioners wanted to hear how local postal customers and stakeholders, as well as communities benefit from universal service.

At the Flagstaff hearing, the PRC heard from representatives from non-profit organizations and periodicals, a rural letter carrier, and the USPS Arizona District Manager. This week’s St. Paul hearing focused on two major areas: the impact of universal service on the mailing community, and its effect on small and rural communities. Witnesses included the Postmasters of St. Paul and Chokio, a member of the NAPUS Committee on Post Office Closings and Consolidations, and representatives from a large envelope manufacturer, a non-profit foundation, a catalogue company, and a greeting card company.

St. Paul Postmaster Mike Larson testified on behalf of the Postal Service Northland District, while Chokio Postmaster Dennis O’Neill testified on behalf of NAPUS. The Northland District is the largest postal district in the nation. Postmaster Larson identified the unique weather conditions of the area, including winter snow that is measured in feet, not inches. In addition, he mentioned last year’s Mississippi River bridge collapse, which had a devastating effect on Twin City Metropolitan area transportation, but did not result in a deterioration of mail processing and transportation.

Closings and Consolidations Committee member Lyle Puppe was a last minute replacement for Halma, MN Mayor Shane Olson. Sen. Norman Coleman and the Halma Mayor asked Lyle to testify, since Olson was unable to attend. (Lyle has been working with the town of Halma to save its post office.) You may view Dennis’ testimony at <http://prc.gov/Docs/60/60068/DennisO'Neill.pdf> and Lyles’ testimony at <http://prc.gov/Docs/60/60072/Lyle%20Puppe.pdf>.

Generally, Postmaster O’Neill’s prepared statement described the close interrelationship that exists between rural communities and their post offices. Commerce within the community and beyond the community relies on a stable universal postal system. During questioning, Commissioners Hammond and Goldway honed in on the fact that post offices are the centers of communities and commerce in rural towns. To illustrate his fact, O’Neill pointed out that Chokio contains 25 small businesses that depend on post office-provided

services. Also, Dennis stated that many small towns do not have banks; as a result, the post office provides limited financial services. Commissioner Hammond noted that the distance between a rural roadside mailbox and the house or farm, in many cases, can make rural letter carrier postal transactions impractical. Consequently, post office boxes, with their enhanced mail security, are a superior option. Commissioner Goldway referred to the rural post office as a "mail box center" that provides a sense of community, enabling postal residential and business customers to congregate and communicate with one another – a collateral communitarian benefit of universal service.

Retired Postmaster Puppe focused his testimony on how universal postal services are compromised by the "cavalier" way in which many communities are treated by the USPS when it suspends, closes, or consolidates a post office. Moreover, Puppe spoke of how the absence of a post office drives a stake through the heart of a community. He took the Postal Service to task for its failure to fill vacant post office positions, and identified it as a major factor in post office terminations in the Dakotas District. This District includes northern Minnesota, and North and South Dakota. During the question period, the Commissioners asked the catalogue mailer, who was on the same panel as Lyle, about the importance of rural post offices to her mailing operation. She responded that the post offices were essential, and that the USPS should not cut them. The Commissioners asked Lyle if he had access to a list of post offices that have been suspended, their locations, and the duration of their suspensions. In addition, the PRC asked for a similar list of postmaster vacancies, their locations, and the durations of the vacancies. NAPUS has already notified Postal Headquarters of the PRC request.

Senate Confirms Langley and Williams

Since December, the PRC has been functioning with four Commissioners, rather than its full complement of five. On late Wednesday night, the Senate finally confirmed Nanci Langley as a Commissioner. President Bush nominated Nanci Langley earlier this year. She succeeds former Commissioner Dawn Tisdale, who left the PRC in November 2007. Ms. Langley's term will expire on November 22, 2012. As NAPUS Postmasters know well, Nanci was a longtime Senate staff member for Hawaii Senators Sparks Matsunaga and Daniel Akaka. In addition, for the past year, Langley has served as the PRC's Director of Public Affairs. At the same time that the Senate confirmed Nanci Langley, it also approved the nomination of current USPS Governor Ellen Williams, of Kentucky. President Bush first appointed Ms. Williams Governor to the Board in 2006, and nominated her for full term that expires on December 8, 2014.

President Bush has the opportunity to nominate another member of the PRC and another Postal Governor before he leaves office in January 2009. Both the PRC and the Board of Governors designate their positions by political party, and the two expiring slots cannot be Republican because no more than three Commissioners or five Governors can be from the same political party. Commissioner Ruth Goldway's current term expires in December 2008, and Board of Governors Chairman Alan Kessler's tenure expires in January 2009. Senate Majority Leader Harry Reid (D-NV) has recently recommended that the President re-nominate Commissioner Goldway to another term.

**National Association of
Postmasters of the U.S.**

**8 Herbert Street
Alexandria, VA 22305**

**Tel. 703-683-9027
Fax. 703-683-0923**

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www.napus.org