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Happy July 4th

Appropriations Bill Includes Five-Day-Delivery Study

On June 25, Rep. Jack Kingston (R-GA) added language to the Fiscal Year 2009 Financial Services Appropriations bill, requiring the US Postal Service to study “the cost-effectiveness and fuel consumption of a five-day delivery system and consumer demand of Saturday postal delivery.” Kingston has proclaimed that he has been trying to eliminate Saturday deliveries for years. The Appropriations bill has yet to be considered by the full House, or Senate.

Ironically, the Kingston Report may be a total waste of money. The USPS is already conducting an examination of six-day delivery, within the context of the Postal Regulatory Commission’s (PRC) study on universal service. The alleged motivation of the Kingston Study is to reduce USPS fuel consumption, and thus, increase US gasoline supply and reduce the cost of the fuel. (Two large Georgia-based fuel consumers are UPS and Delta Airlines.) In fact, the proposed elimination of mail delivery for one day would hardly make a dent in gasoline supply. The most recent data from US Energy Information Administration (EIA) indicates that, nationwide, gasoline consumption totals 388.6 million gallons per day; in comparison, the Postal Service’s consumes a “meager” 400,000 gallons per day. Consequently, only about 0.1 percent of the nation’s daily gasoline consumption can be attributed to the USPS. It is doubtful that a “one-tenth-of-one-percent” drop in gasoline use would have a noticeable impact on gasoline price or supply.

Nonetheless, the USPS is reducing its reliance on gasoline-fueled vehicles. For example, the agency employs about 43,000 alternative-fuel-capable postal vehicles, including those that are ethanol-powered. Also, the USPS is expanding the use of hybrid and electric vehicles. What this all means is that the USPS is striving to veer away from gasoline dependence, which undermines Kingston’s alleged rationale for 5-day mail delivery.

However, Kingston’s motivation could be more homegrown. After all, UPS is a Georgia-based company, a strong financial supporter of the Congressman, and does not presently offer regular six-day parcel delivery to residential and commercial delivery points. Consequently, the USPS has the marketing and service advantage of providing the consumer-desired benefit of regular six-day residential delivery. This is part and *parcel* of the Postal Service’s universal service obligation. UPS could benefit by the elimination of one day of USPS delivery. In any case, who says that Saturday would be the day?

At the end of the day, the PRC may or may not make recommendations in the area of 6-day delivery. Their findings will, hopefully be based upon the concept of universal service – not some quixotic desire to reduce gas prices. By the way, when are the brown trucks going hybrid, or changing their color to green?

"Father of Postal Reform" Urges PRC to Protect Universal Service

On June 30, Rep. John McHugh (R-NY) filed comments with the Postal Regulatory Commission (PRC), as part of his contribution to the ongoing Commission deliberations on universal service. The former chairman of the House Postal Service Subcommittee prefaced his remarks by observing that:

Congress debated the future of the Postal service for 12 years and during that time a bipartisan consensus formed that held universal service should be broadly defined to serve all Americans, rich and poor, urban and rural, nationwide. That has historically meant six-day delivery, reasonable access to retail services, as well as convenient access to collection boxes.

McHugh argued against proposals that discriminate against rural and low-mail-volume areas. Rep. McHugh acknowledged the value of small post offices, particularly in sparsely populated areas of the country. (The Congressman is a resident of Pierpont Manor, a small, rural town in northern New York, reliant on a post office.) The House author of Public Law 109-435 cautioned against reductions in service and accessibility in these areas. He cautioned that such a scheme "would have a very difficult time being accepted by Congress." McHugh suggested that such reductions would undermine economic development to those areas. In addition, McHugh pointed out that the deregulated European postal market burdens postal customers with higher postage rates than enjoyed in the United States. The Congressman advocated for the continued prohibition of depositing non-posted material in mailboxes, stating that "it is crucial to American's sense of privacy and the integrity of the mail."

Next week (July 10), the PRC will be conducting another hearing, as part of its efforts to enhance the public discussion over the future of universal postal services. The hearing will be held at the PRC, and the invited witnesses include representatives of employee unions and management associations.

NAPUS PAC Prepares for Election

As of June 20, 2008, Postmasters have contributed more than \$175,000 to NAPUS PAC. During the same 6-month period NAPUS PAC has contributed over \$125,000 to pro-Postmaster Members of Congress, and pro-Postmaster candidates for Congress. NAPUS continues to evaluate contenders for vacant Congressional seats and individual challenging Members of Congress who oppose NAPUS' legislative agenda. To accurately assess candidates, NAPUS uses a number of factors. First and foremost, NAPUS distributes to office-seekers who desire Postmaster political support the *2008 NAPUS Candidate Questionnaire*. Postmasters may request the form to transmit to a particular candidate, or Postmasters may request NAPUS to send the form directly to the candidate.

In preparation for our national convention, NAPUS PAC Chair Ron Woods (Chetopa, KS) will be looking for 100% NAPUS Executive Board participation in NAPUS PAC through either *PostalEase*, NAPUS Credit Union directed allotments, or through a periodic charges to their NAPUS VISA card. All NAPUS members should consider this as an excellent way to participate in PAC.



CA Legislative Chair Gary Greenhalgh with House Speaker Nancy Pelosi and Rep. Doris Matsui at a June Legislative Event

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