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HR 2309

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Postal Subcommittee Approves Flawed Bill

On Wednesday evening, after a contentious four-hour-long markup, the House Subcommittee on the Federal Workforce, the Postal Service and Labor Policy approved HR 2309, the Issa-Ross postal package, for full committee consideration. The bill was passed on an 8-5 party-line vote. This is the first time in more than a generation that a House or Senate committee or subcommittee approved a postal bill without bipartisan support.

HR 2309 characterizes spaghetti-and-meatballs legislation at its worst – throw everything on the wall and see what sticks after a couple of hours. By contrast, good legislation would reflect thoughtful and constructive efforts to maintain a vital service for the American public. In past congresses, beneficial postal legislation has garnered wide bipartisan support, and strong favor from the broad postal community – mailers and employees alike. Regrettably, HR 2309 spectacularly fails this test and ignores consensus recommendations to help relieve the financial pressures on the USPS. This type of approach is found in HR 1351, legislation that has earned the bipartisan cosponsorship of almost a majority of the House of Representatives.

As reported in past *eNAPUS Legislative & Political Bulletins*, among the many shortcomings of HR 2309 is its targeting of rural America. The Issa-Ross bill takes dead aim at postal services that help sustain and invigorate outlying communities, binding these areas to the rest of the nation and the world. Among the provisions that NAPUS strongly opposes and will be urging Congress to reject is the creation of a new, costly bureaucracy that is charged with closing post offices. This commission must recommend closing retail facilities that net savings of \$1 billion. Inasmuch as small and rural post offices account for only 0.7% of USPS operating costs, about \$500 million, every one of them could end up on the chopping block. Under HR 2309, impacted communities would have no meaningful input into closing decisions and the Postal Regulatory Commission would have no oversight. In addition, HR 2309 would eliminate the legal requirement that the USPS provide “a maximum degree” of postal services to rural areas, and would strike from the statute the current prohibition against closing a post office solely for having expenses that exceed revenue. Taken together, or separately, these provisions deal a devastating blow to rural America, its citizens and small businesses.

At the subcommittee markup Chairman Dennis Ross (R-FL) proposed amendments to the original bill that would, in part, transition door delivery to curbside or cluster box delivery, double the amount of money to be saved from closing mail processing plants, eliminate prevailing wage rules for postal contractors, force retirement-eligible employees to leave employment, alter the workers’ compensation program as it impacts postal employees, eliminate discounted postage for nonprofit organizations, and abolish Alaska bypass mail.

The subcommittee meeting started off in discord and confusion. Ranking

Democrat Stephen Lynch (D-MA) raised “a point of order” against the workers’ compensation provision, based on the opinion of the House Parliamentarian that the section is not *germane* because it does not fall under the jurisdiction of the Oversight and Government Reform Committee. Full Committee Chair Darrell Issa (R-CA), who was present, opined that because the provision only impacts postal employees, it is within the jurisdiction of his committee, irrespective of the parliamentarian’s view. Subcommittee Chair Ross ruled his own amendment was in order. (This is the first time observers recalled that a subcommittee chairman “overruled” the opinion of the House Parliamentarian.)

The friction continued, as seven amendments were debated and considered; each one was defeated on an 8-5 party-line.

- Rep. Gerry Connolly(D-VA) – would maintain six-day mail delivery
- Rep. Gerry Connolly – would expand the definition of postal products and enable the USPS partnerships with the private sector
- Rep. Stephen Lynch (D-MA) – would eliminate three controversial titles in the bill, including the section that negatively impacts rural America, and replace them with HR 1351
- Rep. Stephen Lynch – would refund the \$6.9 billion FERS overpayment to the USPS and use a portion of the surplus for retirement incentives
- Rep. Stephen Lynch – would keep prevailing wage standards for USPS-contracted work
- Rep. Danny Davis (D-IL) – would keep current law regarding postal workers’ compensation coverage
- Rep. Danny Davis – would retain discount postage for nonprofit organizations

Rep. Jason Chaffetz (R-UT) offered an amendment that he subsequently withdrew. The amendment would have authorized the USPS to establish 12 “postal holidays” during which mail would not be delivered.

During the debate over the Connolly Amendment on private partnerships with the USPS, Chairman Ross was extremely critical of such efforts.

One of the more interesting debates that caught the attention of many was about downsizing the postal workforce and incentivizing retirement. During discussion of the Lynch Amendment on permitting the FERS overpayment to cover the cost of such an incentive, Chairman Ross challenged the validity of the estimate that has been adopted by all actuaries, including the Office of Personnel Management. Instead, Chairmen Ross and Issa suggested that the \$10 billion increase in borrowing authority, which is included in HR 2309, should be the source of retirement incentives. This begs the question: Who is really proposing to use “taxpayer” dollars for postal relief? On the one hand, the broad postal coalition and an almost House majority propose to use the USPS’ pension overpayments to provide financial stability. On the other hand, those who are wedded to HR 2309 want to legislate that US taxpayers grant the USPS a \$10 billion loan to incentivize retirement. This is an ironic twist to the Chairmen’s mischaracterization of what constitutes a “bailout”, and what actually is a legitimate refund of USPS overpayments.

Chairman Issa announced that the Full Committee will consider HR 2309 on October 5.

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