

## A Tale of Two Bills

*These are NOT the best of times; these might be closer to the worst of times.  
Apologies to Charles Dickens*



Senate Committee Markup of S. 1789

### Sen. Sanders Introduces *Postal Service Protection Act*

The day after the Senate Committee markup, Sen. Bernie Sanders (I-VT) introduced S. 1853, legislation that would direct the White House to fairly calculate the USPS pension liability, relieve the USPS of overly-aggressive, retiree health pre-funding, protect service, and provide new product opportunities for the USPS. On the Sunday prior to introduction, Sen. Sanders conducted a postal town hall meeting where NAPUS members were well-represented.

Two vastly different postal bills are pending before the House and Senate. The bills, H.R. 2309 and S. 1789, contain numerous divisive provisions; some are common to both. Consequently, they do not seem to be on the fast track. However, their paths to the floor follow different roadmaps and provide guideposts on how NAPUS and others may seek to shape the outcome.

More than a month ago, the House Oversight and Government Reform Committee approved H.R. 2309, by a party-line vote. The measure was crafted by Committee Chair Darrell Issa (R-CA) and Postal Subcommittee Chair Dennis Ross (R-FL). No other Members of Congress had a part in drafting H.R. 2309 or promoting it. To this day, only Reps. Issa and Ross are its sponsors. In contrast, the Senate Homeland Security and Governmental Affairs Committee-approved S. 1789, was a bipartisan effort of the Committee's postal leadership. Chair Joseph Lieberman (I-CT) and Ranking GOP Susan Collins (R-ME), and Postal Subcommittee Chair Tom Carper (D-DE) and Ranking GOP Scott Brown (R-MA) played roles in drafting the measure, and conducted a joint press conference promoting it. The House and Senate committee markups were distinctive in that the House Committee process, including amendment consideration was highly charged and partisan; by contrast, the Senate process tended to be more cooperative, even when Senators disagreed. It's also important to note that the Senate bill would allocate the pre-payment of retiree health benefits over a 40-year period, instead of the punitive 10-year schedule.

Two NAPUS-promoted Senate amendments were fashioned with our input and in a bipartisan manner. One amendment, offered by the four S. 1789 authors, ensures that NAPUS participates in the design of a postal health plan, and, if such a plan were to be implemented, managerial employees would retain the right to remain in the FEHBP. Sens. Jerry Moran (R-KS) and Jon Tester (D-MT) offered the second NAPUS-promoted amendment. It directs the USPS to establish postal retail service standards; and the USPS would be prohibited from closing post offices until the standards were implemented. Moran and Tester were joined by Senators Collins (R-ME), Begich (D-AK), Pryor (D-AR), McCaskill (D-MO) and Landrieu (D-LA) in sponsoring the amendment. Continuous NAPUS legislative-activist communications with Senators; down-to-the-wire NAPUS Legislative Chairs Committee contact with Committee members, supported by a series of Chair conference calls; and bipartisan Senator collaboration, ensured that the amendments passed overwhelmingly.

Amendments offered at the House postal markup were held close-to-the-vest. Consequently, the amendments were partisan and not scrutinized. One such amendment was offered by Rep. Ann Marie Buerkle (R-NY). The Buerkle amendment would limit to 10% the number of rural post offices that could be

closed by a newly-created postal closing commission. Though well-intentioned, Rep. Buerkle and others mischaracterized the amendment as limiting the number of rural closings to 10% of *all* post office closures. Neither Buerkle nor other committee members distinguished between commission closures and USPS-initiated closures. Had the Congresswoman reached out to NAPUS, or shared her amendment with colleagues prior to the markup, the confusion and mischaracterization could have been averted. In fact, the amendment merely provided political cover for rural GOP committee members to vote for the bill, despite the fact that H.R. 2309 opens the floodgates for post office closings.

Even with the procedural disparities, both bills share a common and major deficiency; neither bill provides the USPS with a fair and equitable calculation of its pension liability – a \$55 billion omission. Rather, H.R. 2309 and S. 1789 continue to impose a punitive pension liability on the USPS that seeks to offset the federal government's failure to account for its own pension liability. This failure is bipartisan and the blame is shared with the White House.

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## National Survey Affirms Public Support of Post Offices

A new national consumer survey conducted by *the American Consumer Institute* (ACI) concluded that the vast majority of Americans continue to oppose post office closings. In addition, the polling data substantiates NAPUS' arguments before the Postal Regulatory Commission against the Retail Access Optimization Initiative (RAOI), relating to the American public's use of post offices.

The survey, which was released on Thursday, found that 72% of Americans are opposed to the planned closing of the RAOI-targeted post offices. This data is consistent with past survey results conducted over the past two years by *Gallup* and the *Washington Post*. In addition, the survey results conflict with USPS assertions about the rarity of customer visits to post offices; the ACI survey found that the average person visits the post office *more* than once a week, and that the visit is not just to purchase stamps. In fact, according to ACI, 68% of the public visit the post office to ship parcels, 53% to send priority or express mail, and 50% to weigh packages or envelopes. Another crucial finding is that nearly half of those surveyed stated that they would have to travel more than seven miles to the next nearest post office if their post office was closed.

The cross-tabs on the survey (i.e., the detailed data) provide some fascinating insights relating to rural post office customers. Approximately twice as many rural customers use post office boxes, as compared to non-rural customers. Within the context of NAPUS' cross-examination of the USPS at RAOI hearing, the USPS witness conceded that USPS does not collect data to record post office visits relating to post office box mail retrieval. Also, approximately twice as many rural customers visit a post office multiple times a week, as compared to non-rural customers. And, 64% of rural postal customers would have to travel in excess of seven miles if their post office was closed. Hence, as NAPUS pointed out at the RAOI hearings, rural postal customers would suffer a disproportionate decrease in postal access if their retail facility were to be closed. Another interesting finding in the survey is that 68% of postal customers who identified themselves as Republicans oppose post office closings, 69% of Independents oppose closings, and 81% of Democrats oppose closings. Simply stated: a bipartisan and overwhelming majority of Americans oppose post office closings.

### FEHBP Prefunding Payment Deferred Again

On Friday, President Obama signed into law a stopgap funding bill (H.R. 2112), which includes a delay in the \$5.5 billion prefunding payment by the USPS for retiree health care until December 16, 2011. The payment was originally due on September 30.

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