



‘Managing the Most Trusted Federal Agency’

UPMA 2020 Legislative Position Paper

Where Is the U.S. Postal Service Currently?

The USPS is the only entity—public or private—required to fully prefund its retiree health care benefits. Over the past decades, this unique postal obligation has dramatically affected the agency’s operations and finances. This unfair obligation has threatened the sustainability of daily, universal mail service and directly affected the morale of the employees. It impinges on service to the millions of Americans who depend on a first-class Postal Service.

In order to move the Postal Service forward, we are requesting some much-needed assistance from Congress. This assistance includes:

Bipartisan Postal Reform Legislation

Bipartisan-bicameral postal reform legislation is being developed by leaders of the House Oversight and Reform Committee and Senate Home-

land Security and Governmental Affairs Committee. This approach is essential to addressing long-term fiscal and governance challenges facing the USPS. Comprehensive postal reform should incorporate the following:

- Reducing the harmful effects of the prefunding requirement on postal solvency and operations.
- Allowing the Postal Service to undertake postal product and service innovations.
- Promoting postal pricing that more accurately reflects the true costs of mail acceptance, processing and delivery.
- Enhancing a universal, accessible and affordable governmental Postal Service.
- Assuring relief from the current restrictive retiree health liability by coordinating postal retiree Medicare benefits with the Federal Employees Health Benefits Program (FEHBP).
- Determining an accurate calculation of the USPS’ pension liability.
- Reforming the USPS governance structure to improve decision-making.
- Modernizing and improving USPS business practices.

Maintaining an Independent Postal Service

Support H. Res. 33/S. Res. 99—Rep. Stephen Lynch (D-MA) introduced H. Res. 33, which states: “That it is the sense of the House of Representatives that Congress should take all appropriate measures to ensure that the United States Postal Service remains an independent establishment of the Federal Government and not subject to privatization.” There are 267 co-sponsors.

Fifty-three senators have co-sponsored the companion Senate resolution, S. Res. 99, introduced by Sen. Gary Peters (D-MI). Both resolutions have garnered overwhelming bipartisan support. With a new postmaster general expected to take office soon, Congress needs to ensure the range of solutions for postal reform does not include privatization.

Ensuring Universal Service for all Communities

Support H. Res. 54—UPMA believes postal services are a major necessity for all communities and small and large businesses, as well as citizens both inside and outside major population centers. UPMA supports preserving the Universal Service Obligation.

Fair Treatment of Civil Service Retirement System (CSRS) Annuitants/WEP/GPO

Support H.R. 141—Rep. Rodney Davis (R-IL), Rep. Adam Schiff (D-CA), Rep. Garret Graves (R-LA), Rep. David Cicilline (D-RI); *H.R. 4540*—Rep. Richard Neal (D-MA); *H.R. 3934*—Rep. Kevin Brady (R-TX); and *S. 521*—Sen. Sherrod Brown (D-OH)

Over three decades ago, two provisions were enacted that unfairly penalize CSRS annuitants: the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO).

The WEP is a one-size-fits-all mechanism that reduces the Social Security benefits of workers who also participate in pension plans from employment not covered by Social Security, such as CSRS. The GPO reduces a CSRS retiree’s Social Security spousal or survivor benefits by an amount equal to about two-thirds of the CSRS annuity.

These bills would have a significant impact on the retirement security of retired Postal Service employees and current employees who are covered by CSRS.

Remaining the Delivery Partner of Choice for American Small Businesses

Small businesses in particular rely on their postal services to reach customers and maintain cost competitiveness. The USPS is a major supplier of cost-effective business solutions. The agency makes it possible for small business to deliver goods, products and services to customers across the country and around the globe.

UPMA supports the USPS’ efforts to strengthen and increase its market share in this phase of the business model they have adopted.

UPMA also would consider supporting any legislation that would allow greater pricing flexibility and encourage growth in the Postal Service. In the past few years, the Postal Service has proven that it is able to meet the demands of the mailing public by reducing the size of its workforce, reducing the number of processing and distribution facilities and continuing to achieve record service levels throughout the country.

Other Issues in the 116th Congress that Are a Priority for UPMA:

- United States Postal Service Shipping Equity Act, H.R. 2517—Rep. Jackie Speier (D-CA)
- U.S. Postal Service Opioid and Illicit Drug Strategy Act of 2019, S. 2974 (Sen. Mitt Romney (R-UT) and Sen. Gary Peters (D-MI))
- Vote by Mail Act, H.R. 138—Rep. Susan Davis (D-CA)/S. 26—Sen. Ron Wyden (D-OR)
- Postal Employee Appeal Rights Amendment Act, H.R. 597—Rep. Gerry Connolly (D-VA)

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United Postmasters and Managers of America (UPMA)
8 Herbert St.
Alexandria, VA 22305-2600
703-683-9027

