ELECTION 2024

SECURING OUR *FUTURE* THROUGH POLITICAL ACTION

NATIONAL ASSOCIATION OF POSTAL SUPERVISORS
2024 LEGISLATIVE TRAINING SEMINAR

LEGISLATIVE ISSUES BRIEF

SPAC

Things to Know About

The U.S. Postal Service Is a Government Institution—Not a For-Profit Commercial Enterprise

Time and time again, our constitutionally established, federal postal operation has proven to be a vital part of the nation's essential infrastructure. As the cabinet-level Post Office Department and, more recently, an independent establishment under the Executive Branch, the U.S. Postal Service has bound this nation together. It has demonstrated its value to America by serving as a conduit for correspondence, news, commerce, life-saving medication and ballots for our country's democracy.

The Postal Service is a public institution entrusted to an 11-member Board of Governors. Nine governors are presidentially nominated and tasked with hiring two other governors who are employees of the board—the postmaster general and deputy postmaster general. Collectively, the 11 governors are empowered to ensure all Americans are provided prompt, reliable and efficient postal services.

Our postal system predates establishment of the United States. Our nation's Founding Fathers placed immense value on the necessity of a government-owned, nationwide mail postal system to communicate and conduct commerce. In fact, existing law (*Title 39* of the United State Code) demands the Postal Service "be operated as a basic and fundamental service provided to the people by the Government of the United States, authorized by the Constitution. …" Although the Postal Reform Act of 1970 charges the now independent establishment of the Executive Branch to be self-sustaining, the basis of the agency remains a public service.

The vital need for a national postal presence has not weakened over the past 250 years. American patriot Benjamin Franklin was the Post Office Department's first postmaster general. Franklin, as well as the other architects of the Constitution, strongly believed a governmental postal service was vital to link communities throughout the nation. Therefore, they enshrined the Postal Service in the Constitution.

Among the congressional powers enumerated in Article I, Section 8, of the Constitution is Congress' authority "… to establish Post Offices and Post Roads." In 2022, Congress renewed its strong support of a government-run national postal system with enactment of the Postal Reform Act of 2022 (Public Law 117-108). Today, the Postal Service provides Americans with the world's largest and most-affordable acceptance, processing and delivery network, serving households and businesses—large and small.

Postal Operations Do Not Rely on Taxpayer Dollars

Generally, the Postal Service is self-sustaining and does not rely on taxpayer dollars to fund its operations. The federal agency operates as a unique governmental entity; it is expected by law to cover its costs through postage revenue. The agency's operating revenue totaled $78.2 billion in fiscal year 2023, a decrease of $321 million from the previous year.

The Postal Service relies on the sale of postage and mail products. In addition to pandemic-related challenges, the Postal Service has confronted high inflation, increasing delivery points and the loss of profitable First-Class Mail. The Postal Regulatory Commission adjudicates price adjustments for USPS market-dominant products, recognizing the extraordinary burdens particular to a universal and accessible national mail system.

Over the past few years, Congress has acknowledged the unique and essential role the USPS plays by converting a $10 billion pandemic-related line of credit into a grant. Furthermore, in 2022, Congress authorized $3 billion as part of the Inflation Reduction Act to help modernize the aging and unsafe postal delivery fleet to acquire new electric delivery vehicles and build an infrastructure to support them.

President Biden's fiscal year 2024 budget included a request of $75.5 million to compensate the agency for providing free and reduced mail and an additional $307.2 million for previous years' revenue forgone that was not made available to the Postal Service. The agency is authorized to request up to $460 million for public-service costs for providing universal service. The Postal Service has neither requested nor received any public service reimbursement since 1982—the equivalent of returning almost $10 billion to the U.S. Treasury.

the Postal Service

The Postal Service—the Nation's Largest Civilian Employer—Provides Jobs to American Heroes

The Postal Service employs over 635,350 Americans, of whom approximately 516,750 are career employees. In addition, the agency has a long and proud history of providing career opportunities to veterans, reservists and their family members. Approximately 63,000 Postal Service employees, representing about one-tenth of the Postal Service's total workforce, served in the United States military. These valued employees have brought leadership, reliability and high-tech skills to the Postal Service, as well as loyalty and integrity. NAPS proudly supports local and national veteran outreach efforts to help qualified veterans find secure and stable careers at the Postal Service.

The Nation's Postal System Plays a Major Role in the American Economy

In our present digital world, the Postal Service remains a cornerstone of America's economic and communications infrastructure. In fiscal year 2022, the Postal Service distributed mail to 164.9 million delivery points, including homes, businesses and post office boxes in every city, town and village in America. Trillions of dollars move through the postal system every year.

Almost half of all bills are paid by mail. The Postal Service is the driver of a $1.6 trillion-a-year mailing industry that employs 7.3 million people across the country, or more than 6% of the nation's jobs. Overall, the Postal Service and related industries contribute 7.6% of the nation's gross domestic product.

And the Postal Service delivers *everywhere*; others don't. The Postal Service delivers more mail to more addresses in a larger geographical area than any other postal operation in the world. It also is the world's largest retail network—larger than McDonald's, Walmart and Starbucks (in the U.S.) combined. In the previous fiscal year, the Postal Service handled 116.1 billion pieces of mail—162.1 million pieces of First-Class Mail each day.

UPS, FedEx and, now, Amazon do not deliver to unprofitable rural and remote locations; they rely on the Postal Service to take their packages the "last mile" for delivery. The Postal Service does not impose a fuel or residential delivery surcharge on its customers, charging just 68 cents for a letter going anywhere in the U.S. and its territories, even though it receives *no* tax dollars for operating expenses and must cover all its own costs. There is no industrialized nation that charges cheaper postage.

Earning Postal Trust

The Postal Service excelled in delivering democracy for America during the 2020 and 2022 elections and will do so again in 2024. The agency's success in binding the nation together during the COVID-19 pandemic reinforced confidence in the institution.

The Postal Service demonstrated its priceless value in fulfilling and delivering 737 million coronavirus tests to the homes of countless Americans. However, the toxic political environment and general mistrust in public institutions continue to plague America. In addition, USPS-initiated consolidations, realignments and operational changes have compromised mail security, made mailing letters and parcels less accessible and slowed the mail in many sections of the country.

All this has impacted America's view of the Postal Service. Nevertheless, according to an October 2023 Gallup Organization Survey, Americans continue to rate the Postal Service the highest federal agency, with 62% rating it excellent or good, a two-point increase since the previous year. However, the rating still is 12 points lower than the 2019 Gallup Survey.

In 2021, Gallup identified mail delays as one of the primary reasons for the erosion. The Postal Board of Governors, postal employees and our elected leaders must work together to regain America's trust. The Board of Governors and Congress need to ensure the agency restores the high regard the Postal Service has historically commanded as one of the best companies in the country in keeping information safe and secure. Consumer confidence, brand loyalty, a high-performing workforce and universal presence are the Postal Service's key assets.

Restoring U.S. Mail Security and USPS Employee Protection

At the beginning of our nation's existence, the federal government prioritized sanctity of the mail and protection of its postal employees. The very first federal law enforcement agency dates to 1772. Postmaster General Benjamin Franklin created "surveyors" of the mail tasked with, among other law enforcement responsibilities, investigating mail theft. In fact, mail was so sacred that, in 1792, Congress imposed the death penalty for the crime of mail theft.

Regrettably, over the past few years, the Postal Service has endangered U.S. Mail and the safety of its employees. In summer 2020, our most-trusted federal agency recklessly exposed its employees and their sacred cargo to theft and even worse.

The Postal Service carelessly constricted the law enforcement authority of the Postal Inspection Service's uniformed members. The impact of these new limits on postal police officers has been immediate and severe. Postal-related crime has exploded, undermining postal customer and employee confidence.

It is no secret that visible law enforcement presence, combined with expert investigative personnel, deter crime and improve the chances that criminals are apprehended. This has been the experience of the postal police force. In 1973, the Security Street Patrol Program resulted in a "general reduction to postal crime in patrol areas," as reported in the USPS Inspection Service's annual report.

A year later, the Inspection Service reported that the program "proved highly effective in high-crime areas where letter-carrier holdups, assaults and check letter thefts have become a serious problem." The Inspection Service concluded officers "contributed to a reduction in the incidence of criminal attacks on the Postal Service, its customers and employees."

In Los Angles, the reduction was 60%. Also, a separate case study found that assaults on Washington, DC, postal employees were reduced by over 66%. From fiscal years 2016 through 2018, postal police officers successfully conducted over 100,000 off-postal-property patrols throughout the country.

Yet, in summer 2020, the Postal Service inexplicably changed its policing policy. The agency decided to restrict the authority of its postal police force solely to postal occupied facilities. No longer would postal police officers be permitted to protect postal employees, postal assets or the U.S. Mail unless in a postal facility.

Since the new policy became effective, mail theft has accelerated by a factor of three. Letter carriers have been attacked on their delivery routes and in postal vehicles; collection boxes have been vandalized, stolen and compromised. Check-washing is commonplace in many locales due to the new vulnerability of mail collection boxes.

In 2023, the Washington, DC, affiliate of NBC News cited data secured through a Freedom of Information Act request that letter-carrier robberies increased by an astonishing 853% percent since 2019 (projected for fiscal year 2023). In effect, contraction of the uniformed agents' authority virtually eliminated "letter carrier protection patrols."

Concurrent with the rapid rise of crime against letter carriers, there was a dramatic increase in mail theft. In fact, on Feb. 27, 2023, the Treasury's Financial Crime Enforcement Network sent a "FinCEN Alert" to America's financial institutions entitled, "Nationwide Surge in Mail Theft-Related Check Fraud Schemes Targeting the U.S. Mail." Specifically, the department reported an astonishing 161% increase in mail theft complaints over one year, from 2021 to 2022. The data NBC unveiled reflects a long-term escalation of 146% since 2019.

Finally, in late September 2023, the USPS Office of Inspector General concluded the USPS failed to effectively deploy postal personnel to combat postal-related crime and had yet to evaluate its personnel resources to address the issue.

For these reasons, NAPS strongly supports enactment of H.R. 3005/S. 3356, the Postal Police Reform Act. Although not identical, both bills seek to clarify and strengthen the law enforcement authority of the uniformed division of the Postal Inspection Service by empowering postal police officers to protect postal employees, postal assets and the U.S. Mail—whether inside or outside a postal facility.

Both bills are bipartisan. H.R. 3005 was introduced by Reps. Andrew Garbarino (R-NY) and Bill Pascrell (D-NJ). S. 3356 was introduced by Senate Judiciary Committee Chairman Richard Durbin (D-IL) and Senate Appropriations Committee Ranking Member Susan Collins (R-ME). The legislation has been endorsed by the 26,000-member Federal Law Enforcement Officers Association and the 241,000-member National Association of Police Organizations.

Promoting a Fair, Equitable and Just Relationship Between the Postal Service and Its EAS Employees

Years of NAPS pay-talk experience, the unanimous verdict of a 2020 Federal Mediation and Conciliation Service (FMCS) fact-finding panel and the unanimous decision reached in 2022 by the U.S. Court of Appeals for the District of Columbia have led to the inescapable conclusion that the current process by which the Postal Service determines Executive Administrative Schedule (EAS)-level personnel compensation is inherently flawed. In close consultation with NAPS, immediate past House Subcommittee on Government Operations Chairman Gerry Connolly (D-VA) and longtime NAPS ally Rep. Michael Bost (R-IL) crafted effective and meaningful legislation to address the chronic impediments to reach a fair, equitable and just compensation package for postal supervisors, managers and postmasters.

H.R. 594, the Postal Supervisors and Managers Fairness Act

On Jan. 27, 2023, Connolly and Bost introduced H.R. 594, the Postal Supervisors and Managers Fairness Act. The bill is straightforward. It accelerates the timeline of the consultative process under which compensation for EAS-level postal personnel is determined. It also provides greater accountability and transparency to the process. Specifically, the bill provides for the following:

• Not later than 60 days prior to the expiration of the previous pay decision, the Postal Service is required to provide NAPS with its new compensation proposal.

• In addition, not later than 60 days after the Postal Service and its largest postal union reach a collective-bargaining agreement, the Postal Service is required to provide NAPS with a compensation proposal with consideration as to how the bargaining agreement may impact the supervisory pay differential.

• If a FMCS fact-finding panel is established and, if after consideration of its recommendations, NAPS and the Postal Service still disagree over the FMCS recommendations, the FMCS will have 15 days to consider the comments by NAPS and the Postal Service and will issue its final recommendations, which shall be binding.

H.R. 594 Is Vitally Important to Postal Supervisors, Managers and Postmasters

A key element in forging a solid and enduring relationship between Postal Service leadership and its supervisory and managerial corps is trust in the process by which pay and benefits are decided. Is it fair, equitable and just? The EAS workforce must have confidence in the process—specifically, are its concerns and recommendations fully considered and addressed? If supervisors, managers and postmasters lack faith in the process, the results will negatively affect employee morale, retention and recruitment.

H.R. 594 Assures a Just and Timely Consultative Process

The surest way to exemplify a lack of attention to the consultative process is to drag it out. Historic inattentiveness to the duration, commencement and conclusion of pay talks is illuminating. Many times, EAS-level postal employees have been forced to work under long-expired and obsolete pay schedules.

This phenomenon creates the unjust situation of EAS personnel being paid using outdated levels of compensation that financially penalize supervisors, managers and postmasters. The issue of whether, when and which EAS employees should be compensated under the new schedule has been contentious and unjust.

The USPS' reaction to NAPS' quest to retroactively apply newly implemented pay schedules has been disheartening. A just consultative process would ensure there is no lapse between agreements and, if such a lapse is unavoidable, there should be a guarantee of retroactivity.

H.R. 594 would ensure the issue of a gap in pay schedules would be minimized because there would be a strict timetable under which pay consultations would take place. As a result, the issue of retroactive pay and defining those entitled to such pay would be remedied.

H.R. 594 Provides a Fair, Equitable and Credible Consultative Process

Time and time again, supervisors, managers and postmasters have been disillusioned by a consultative process that ignores the constructive views and legitimate recommendations of NAPS—their legally authorized representative. In fact, two independent and legally prescribed entities—an FMCS panel and the U.S. Court of Appeals for the District of Columbia Circuit—concluded the Postal Service has failed to follow the law in the consultative process. This failure undermines the credibility and substance of the consultative process.

The existing law assumes the Postal Service would consider the recommendations and findings of an FMCS fact-finding panel, should one be assembled and issue conclusions. The entire process is rendered meaningless if the Postal Service ignores or delegitimizes the FMCS' findings and recommendations. This is exactly what happened regarding the 2019 EAS pay package.

H.R. 594 would improve the credibility of the consultative process by strengthening the authority of the FMCS fact-finding panel, should one be called on to render findings and recommendations. In sum, the findings and recommendations would be binding on the Postal Service after the agency is provided an opportunity to review the report and still fails to reach a consultative agreement with NAPS.

Upholding Due Process Rights for Postal Managers

The Merit Systems Protection Board (MSPB) is an independent, quasi-judicial agency of the Executive Branch that guards the federal merits systems and promotes a work environment free of prohibited personnel practices. Generally, the MSPB adjudicates employee appeals in most adverse personnel actions.

Current law relating to the due process rights of EAS-level postal employees includes an egregious omission. It fails to provide postal managers occupying positions in certain USPS Headquarters positions the opportunity to appeal adverse actions to the MSPB. Other postal managers are entitled to that right.

These EAS employees must turn to an internal agency appeal system that uses the same chain of command that issued the adverse action. Consequently, agency management is the arbiter of any appeal of an adverse action. This is patently unfair and an inherent conflict of interest.

Other postal supervisors, managers and postmasters may avail themselves of specific, certain due process and procedural safeguards outlined in *Title 5*, Chapter 75, of the U.S. Code. However, about 5,000 EAS employees who work in certain USPS Headquarters positions are denied such due process rights.

H.R. 595 Extends Due Process Protections to All EAS-Level Postal Employees

Simple fairness cries out for all EAS employees to be accorded the same procedural due process rights. The venue of employment should not be a factor in fairness. On Jan. 27, 2023, Reps. Gerry Connolly (D-VA) and Andrew Garbarino (R-NY) introduced H.R. 595, the Postal Employee Appeal Rights Amendment Act.

The legislation would extend to virtually all EAS-level postal employees the right to appeal adverse personnel actions to the MSPB. These employees have needed to rely on an internal and unfair appeal process.

Promoting a Secure and Well-Earned Retirement

Current and former Postal Service employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). To supplement their CSRS or FERS annuity, most postal employees also contribute to the Thrift Savings Plan (TSP). In addition, almost all current postal employees and many retirees participate in the Social Security system.

The CSRS was created in 1920 as a federal employees defined-benefits pension fund that provides retirement, disability and survivor benefits for those hired as federal and postal employees before 1984. CSRS participants do not participate in Social Security unless they worked in the private sector.

Postal and federal employees hired after 1983 are covered by FERS, a three-pronged retirement system that includes a modest defined-benefit component (FERS), Social Security and a defined-contribution component, the TSP. Both CSRS and Social Security benefits are adjusted annually to reflect increases in the consumer price index.

FERS benefits also are adjusted annually, but the adjustment is usually 1% less than the consumer price index. All FERS participants receive an automatic 1% agency contribution into their TSP accounts and a dollar-for-dollar match for the next 3% of salary; the agency makes a .50-to-dollar match, up to 5% of salary.

Moreover, the TSP allows account holders to invest their contributions in a variety of different funds managed by the Federal Retirement Thrift Investment Board. The venue of FERS, Social Security and TSP benefits was intended to be equivalent to the level of benefits provided by the CSRS.

H.R. 82 and S. 597, the Social Security Fairness Act

Two, long-lingering provisions in the Social Security Act discriminate against many public-sector retirees, including a significant number of Postal Service retirees. More than four decades ago, the Windfall Elimination Provision (WEP) was signed into law by then-President Ronald Reagan; the Government Pension Offset (GPO) was signed into law by then-President Jimmy Carter.

The GPO and WEP, individually and collectively, reduce the Social Security benefits of many CSRS annuitants. The WEP applies to CSRS annuitants with Social Security entitlement who worked fewer than 30 years in the private sector. About 2 million Social Security beneficiaries are penalized by the WEP (including federal, postal, state and municipal retirees).

The GPO negatively impacts CSRS annuitants' Social Security survivor's benefit. Under the GPO, the Social Security survivor's benefit is reduced by an amount equal to two-thirds of the CSRS annuity. About 724,000 Social Security survivors are impacted by the GPO (including federal, postal, state and municipal retirees). NAPS believes the WEP and GPO should be repealed.

H.R. 82 and S. 597, the Social Security Fairness Act, would eliminate or lessen the adverse impact on annuitants harmed by the WEP and GPO by repealing these provisions.

H.R. 866 and S. 3194, the Equal COLA Act

Retirement security is sustained by maintaining the purchasing power of postal annuitants during their retirement years. Inflation chips away at earned benefits and jeopardizes a retiree's income security. Consequently, both CSRS and FERS include a cost-of-living-adjustment (COLA).

However, the CSRS and FERS retirement systems fail to provide the same level of inflation protection for postal and federal annuitants. FERS is inferior. During periods of high inflation, such as currently being experienced, FERS COLA protection is reduced as compared to CSRS.

Specifically, when the CPI-W is less than 2% in a year, FERS and CSRS annuitants will receive the same COLA. If the CPI-W is between 2% and 3%, CSRS annuitants would receive a full COLA, while the FERS COLA would be capped at 2%. If the CPI-W exceeds 3%, CSRS annuitants would be entitled to a full COLA, while FERS annuitants receive 1% below the CPI-W.

Over time, FERS inflation protection can erode significantly. NAPS believes all federal and postal retirees have earned the same degree of inflation protection. H.R. 866 and S. 3194, the Equal COLA Act, would provide such equity.

H.R. 5779, the Fiscal Commission Act

On Jan. 18, 2024, the House Budget Committee favorably reported legislation to establish a fiscal commission to make recommendations to reduce the federal budget deficit. The commission would consist of 16 members, including 12 members of Congress and four "experts," tasked with providing Congress a list of benefits and budget cuts. The report would be submitted in late 2024—after the 2024 general election.

The report's proposals would be unamendable and be subject to an up or down vote at a post-election, lame-duck session of Congress. As a result, Congress would be shielded from political pressure to oppose any or all recommendations.

Historically, such commissions have been unpredictable and dangerous to public employees. In 1994, the "Bipartisan Commission on Entitlement and Tax Reform" was jointly chaired by Sens. Bob Kerrey (D-NE) and John Danforth (R-MO). In 2010, the "National Commission on Fiscal Responsibility and Tax Reform" was chaired by Sen. Alan Simpson (R-WY) and Clinton White House Chief of Staff Erskine Bowles.

Both commissions considered recommendations that would have cut postal health and retirement benefits. Fortunately, neither commission could muster the necessary votes to forward their recommendations to Congress for a vote.

While well-intentioned, congressional and executive branch deficit-reduction commissions always have asked the federal and postal workforce to carry an unfair burden for deficit reduction. Therefore, NAPS opposes them.

Postal Viability, Performance, Innovation and Modernization

The focus of the Postal Service's strategy to continued viability has been its "Delivering for America" plan. While parts of the initiative have had a positive impact on the postal spreadsheet—primarily Congress' enactment of the Postal Reform Act of 2022—the same cannot be said about the USPS Headquarters-directed network changes. Thus far, the 2023 track record of postal network realignment has been disappointing and unpopular.

NAPS has concerns about the impact post office operational consolidations through the Sorting and Delivery Center (S&DC) process will have on the relationship between postmasters and the localities they serve. Historically, postmasters have been responsive to their communities and connected to local governments and civic associations.

Diminishing the role of postmasters through operational consolidations is the first step to their redeployment or loss. Just as with POStPlan, a 2012 USPS initiative to reduce the agency's rural footprint, ongoing realignment will result in further diminished local postal accountability and engagement.

Key members of Congress, including Senate Homeland Security and Governmental Affairs Committee Chairman Gary Peters (D-MI) and Senate Majority Leader Chuck Schumer (D-NY) have raised serious questions about the realignment plan and its impact on individual communities. In addition, the Postal Regulatory Commission opened a public inquiry into facets of the realignment and its lack of transparency.

Last year's First-Class Mail on-time performance data has validated NAPS' concerns about the speed with which the plan is being implemented, as well as the lack of serious evaluation before the "Delivering for America" plan's execution. Consequently, NAPS applauds ongoing, legitimate congressional and regulatory oversight regarding the plan.

Regrettably, the performance declines appear to have further eroded profitable First-Class Mail. Therefore, it is vital that the Postal Service diversify and be a trail-blazer, bringing a variety of communication modalities, technology and government services directly to American citizens.

The Postal Service and its employees are well-positioned to experiment and beta-test, offering and marketing a wide variety of products and services. The goal should be to explore and implement new strategies to generate revenue for the agency. Some of the products and services simply would be an expansion of existing postal-oriented commodities; however, other products and services should be innovative.

In these times during which the Postal Services is being challenged by shrinking mail volume, expanding postal products and services is vital for its survival.

Shipment of Alcoholic Beverages

NAPS supports legislative efforts to authorize the USPS to ship alcoholic beverages. Such authority would end the Prohibition-era ban that prevents the Postal Service from shipping alcoholic beverages.

Winemakers are legally allowed to ship bottles of wine via private shipping companies. However, the Postal Service has been barred from this market. This prohibition restricts Postal Service revenue because private shippers, such as UPS and FedEx, are exempt from such rules. The Postal Service has estimated that shipment of alcoholic beverages would annually generate $50 million in new revenue.

H.R. 3721, the U.S. Postal Service Shipping Equity Act, would permit the Postal Service to carry alcoholic beverages from licensed producers and retailers to consumers over the age of 21, in accordance with state and local law. NAPS supports this legislation.

Limited Banking

Digital services, including limited banking and public-private partnerships with financial institutions that complement the Postal Service's core products and align with the postal mission, should be encouraged and authorized by Congress.

A 2014 report by the USPS Office of Inspector General (OIG) found the Postal Service was well-suited to provide non-bank financial payment, credit services and products to the underserved, some in partnership with the private sector. The OIG found that one in four U.S. households lives at least partially outside the financial mainstream—without bank accounts or reliant only on costly payday lenders.

The United States had a Postal Savings System from 1911 to 1967, which, in 1947, had $3.4 billion in assets (more than $35 billion in today's dollars). Worldwide, 1.5 billion people receive some financial services through their postal service.

In fall 2021, the USPS initiated a very spartan approach to offering Americans limited financial services at only four postal facilities. It is unclear how these venues were selected or how the sole financial product, a restricted payroll cashcard, was promoted.

NAPS encourages Congress to advance legislation to expand the authority of the Postal Service to provide basic financial services, including small-dollar loans, checking accounts, interest-bearing savings accounts and services relating to international money transfers.

Modernization of the Postal Delivery Fleet

In fiscal year 2022, the Postal Service had approximately 237,000 vehicles on the road, consuming about 221 million gallons of gasoline or diesel fuel. That represents a 2.2% increase in the number of vehicles over three years.

About two years ago, Congress passed and

President Biden signed into law legislation that included a provision to provide $3 billion to supplement the agency's plans to upgrade and modernize its outdated and unsafe delivery fleet.

These vehicles already have surpassed their life span and replacement parts are scarce. Over the next five years, the Postal Service will put about 106,000 new vehicles on the road; it is estimated that 62%, or about 66,000, will be battery-electric powered.

Certain members of Congress now seek to reverse the much-needed $3 billion government investment in the Postal Service's modernized fleet. NAPS opposes the withdrawal of postal funds.

Fair Calculation of CSRS Pension Responsibility

The USPS and the federal government share responsibility for Civil Service Retirement System (CSRS) costs of postal employees who worked for the cabinet-level Post Office Department before 1971. At the time the USPS was created, the law did not address how increased pension costs of pre-1971 postal employees who continued to work in the USPS would be allocated. Consequently, the Office of Personnel Management uses a financing method unfair to the Postal Service. The method should be revised by regulation or by law.

Nominating and Confirming Well-Qualified and Motivated Postal Governors

Over the past decade, the U.S. Postal Board of Governors has lacked a working quorum for extended periods of time and, for more than a year, lacked any presidentially nominated members at all. A well-qualified and mission-motivated board is essential to sustain our nation's most respected and revered national treasure—the U.S. Postal Service.

The agency is governed by nine presidentially nominated and Senate-confirmed members of the Board of Governors. No more than five governors may be of the same political party. The postmaster general and deputy postmaster general also are members of the board, but are not nominated by the president.

The postmaster general is hired by the board and serves at its pleasure. The deputy postmaster general is hired by the postmaster general and other board members and serves at their pleasure. The current board chairman is Ramon Martinez.

Presently, seven of the nine presidentially nominated seats are filled. On Dec. 8, 2023, two governors' terms lapsed. These vacancies will remain until successors can be confirmed by the Senate.

One of the unique features of the Postal Service is it is a government agency regulated by another government agency. The Postal Regulatory Commission (PRC), through its five presidentially nominated commissioners, exercises regulatory oversight over the Postal Service in furtherance of a universal mail system and ensuring transparency and responsiveness.

The PRC is chaired by Michael Kubayanda. All five seats on the PRC are filled. However, the term of Commissioner Ann Fisher expires on Oct. 14, 2024; the term of Commissioner Ashley Poling expires on Nov. 22, 2024.

NAPS believes President Biden should nominate and the Senate should expeditiously confirm two qualified and attentive governors.

Bills To Co-Sponsor

NAPS encourages sponsorship of the following bills:

House Legislation

H.R. 3005, Postal Police Reform Act

Primary Sponsors: Reps. Andrew Garbarino (R-NY-2) and Bill Pascrell (D-NJ-9), introduced April 28, 2023
Contact: Nikko Keddy, 202-225-7896, nikko.keddy@mail.house.gov

The bill would reverse a 2020 directive from the Chief Postal Inspector that limited the jurisdiction of the U.S. postal police to postal facilities. Under the directive, postal police are not able to investigate crimes against postal personnel and property not situated on postal-owned or -leased real estate.

H.R. 594, Postal Supervisors and Managers Fairness Act

Primary Sponsors: Reps. Gerry Connolly (D-VA-11) and Michael Bost (R-IL-12), introduced Jan. 27, 2023
Contact: Annaliese Yukawa, 202-225-1492, annaliese.yukawa@mail.house.gov

The bill would provide for the timely start of pay talks between Executive Administrative Schedule (EAS) postal employees and the Postal Service by decoupling EAS pay consultations from the protracted timeline of collective bargaining between the largest postal union and the USPS. Under the bill, EAS pay talks would start 60 days prior to expiration of the existing EAS "pay agreement." In addition, the bill would establish a fair and credible process for the conduct of pay consultations by binding the USPS and NAPS to the findings and conclusions of an independent Federal Mediation and Conciliation Service fact-finding panel.

H.R. 595, Postal Employee Appeal Rights Amendment Act

Primary Sponsors: Reps. Gerald E. Connolly (D-VA-11) and Andrew Garbarino (R-NY-2), introduced Jan. 27, 2023
Contact: Annaliese Yukawa, 202-225-1492, annaliese.yukawa@mail.house.gov

The bill would confer to approximately 5,000 non-supervisory managerial postal employees the right to appeal significant personnel actions to the Merit Systems Protection Board (MSPB). Non-supervisory postal personnel currently only may appeal such actions through an internal USPS process that lacks impartial third-party review. Postal supervisory personnel and nearly all federal civil service employees already enjoy MSPB appeal rights.

H.R. 82, Social Security Fairness Act

Primary Sponsors: Reps. Garret Graves (R-LA-6) and Abigail Spanberger (D-VA-7), introduced Jan. 9, 2023
Contact: Logan DeLaBarre-Hays, 202-225-3901, logan.delabarre-hays@mail.house.gov

The bill would repeal the Windfall Elimination Provision and Government Pension Offset, sections of the Social Security law that unfairly reduce the rightful benefits of Civil Service Retirement System annuitants and surviving spouses of those annuitants.

H.R. 866, Equal COLA Act

Primary Sponsor: Rep. Gerry Connolly (D-VA-11), introduced Feb. 8, 2023
Contact: Annaliese Yukawa, 202-225-1492, annaliese.yukawa@mail.house.gov

The bill would create parity between cost-of-living-adjustments with respect to Federal Employees Retirement System and Civil Service Retirement System annuities.

H.R. 716, Fair COLA for Seniors Act

Primary Sponsor: Rep. John Garamendi (D-CA-8), introduced Feb. 1, 2023

Contact: Jacob Jernigan, 202-225-1880, jacob.jernigan@mail.house.gov

The bill would provide more accurate COLAs for federal retirees by calculating COLAs using the Consumer Price Index for the Elderly (CPI-E), which better reflects the spending behavior of seniors than the current methodology.

H.R. 3721, USPS Shipping Equity Act

Primary Sponsors: Rep. Dan Newhouse (R-WA-4), introduced May 25, 2023

Contact: Christopher MacArthur, 202-225-5816, chris.macarthur@mail.house.gov

The legislation would end the Prohibition-era ban that prevents the USPS from shipping alcoholic beverages to consumers, allowing it to ship directly from licensed producers and retailers to consumers over the age of 21 in accordance with state and local laws at the delivery location. This bill would level the playing field and increase consumer and manufacturer choice, while earning millions of dollars in revenue for the USPS.

H.R. 5995, Federal Retirement Fairness Act

Primary Sponsor: Rep. Derek Kilmer (D-WA-6), introduced Oct. 19, 2023

Contact: Leah Li, 202-225-5916, leah.li@mail.house.gov

The bill would permit certain federal and postal employees who participate in the Federal Employees Retirement System (FERS) to make "catch-up" retirement contributions for the time spent as non-career employees after Dec. 31, 1988. Many postal employees began their USPS careers in non-career positions, either working as postal employees or as employees in other federal agencies.

The time employees worked as part of the non-career workforce is presently not creditable toward a FERS annuity. H.R. 5995 would revise the law to permit such federal and postal employees the opportunity to make catch-up retirement contributions for time spent in non-career positions for the time after Dec. 31, 1988.

Senate Legislation

S. 3356, Postal Police Reform Act

Primary Sponsors: Sens. Dick Durbin (D-IL) and Susan Collins (R-ME), introduced Nov. 29, 2023

Contact: Corey Cowan, 202-224-2152, corey_cowan@durbin.senate.gov

The bill would reverse a 2020 directive from the Chief Postal Inspector that limited the jurisdiction of the U.S. Postal Police to postal facilities. Under the directive, postal police are not able to investigate crimes against postal personnel and property not situated on postal-owned or -leased real estate.

S. 597, Social Security Fairness Act

Primary Sponsor: Sen. Sherrod Brown (D-OH), introduced March 1, 2023

Contact: Chad Bolt, 202-224-2315, chad_bolt@brown.senate.gov

The bill would repeal the Windfall Elimination Provision and Government Pension Offset, sections of the Social Security law that unfairly reduce the rightful benefits of Civil Service Retirement System annuitants and surviving spouses of those annuitants.

S. 3194, Equal COLA Act

Primary Sponsor: Sen. Alex Padilla (D-CA), introduced Nov. 1, 2023

Contact: Jose Juan Villalvazo, 202-224-3553, jose_villalvazo@padilla.senate.gov

The bill would create parity between the cost-of-living-adjustments with respect to Federal Employees Retirement System and Civil Service Retirement System annuities.

Frequently Asked Questions About

What is NAPS?

The National Association of Postal Supervisors (NAPS) is a management association representing over 47,000 active and retired postal supervisors and other managerial personnel, including postmasters. Collectively, this group of supervisory and managerial postal employees are categorized as Executive Administrative Schedule (EAS)-level postal employees. Organized in 1908, NAPS exists to improve the Postal Service and the pay, benefits and working conditions of its members. NAPS is a management association, not a union.

Who are typical NAPS members?

Most are first-line supervisors and managerial employees working in either mail processing or mail delivery—what's called "operations." Others are employed at Postal Headquarters or in area offices. In addition, NAPS membership includes postmasters—the managers in charge of independent post offices. NAPS represents the men and women working in virtually every functional unit in the Postal Service, including Sales, Human Resources, Training, Corporate Relations, Law Enforcement and Health and Safety.

Where do NAPS' members live?

NAPS members live in all 50 states (and virtually every congressional district), as well as in Puerto Rico, the Virgin Islands and Guam.

What legislative issues generally concern NAPS?

NAPS devotes its greatest attention to legislation that promotes the vitality, security and stability of the Postal Service. It also supports legislation that assures fairness in the treatment of federal and postal employees and retirees.

How have changes in the Postal Service impacted NAPS members?

Postal instability, inadequate postal resources, workforce downsizing and other challenges and changes have dramatically impacted postal supervisors and other managerial employees, including postmasters. NAPS supports changes in the law, infrastructure and operations of the Postal Service that will sustain and modernize the operations and products of the Postal Service, without impairing service.

NAPS and Postal Supervisors

Why is a postal organization concerned about federal employee retirement and health benefits?

Postal employees and retirees participate in the same pension programs (CSRS and FERS) as all federal employees. They also participate in the same federal health insurance program (FEHBP), but only until the end of 2024.

Beginning Jan. 1, 2025, postal employees and retirees will participate in a new Postal Health Benefits Program within the FEHBP. The plan will continue to be administered by the Office of Personnel Management (OPM).

In addition, unlike other federal agencies, the Postal Service makes annual payments into the Civil Service Retirement and Disability Trust Fund. The OPM requires the Postal Service to contribute an inflated amount into the fund.

How are the wages of postal supervisors set?

The pay of postal supervisors, managers and postmasters is determined through a "meet and confer" or "consultation" process involving the Postal Service and NAPS. Postal supervisors and postmasters do not receive annual wage cost-of-living adjustments as do rank-and-file employees, if available. The pay of rank-and-file postal employees is negotiated through collective bargaining between the Postal Service and their unions.

How do NAPS members participate in legislative activities?

Hundreds of NAPS members gather in Washington, DC, every spring for a three-day legislative conference. Much of that time is spent on Capitol Hill, visiting members of Congress. Throughout the year, postal supervisors remain in touch with every representative's district office and every senator's state office, providing helpful information about the Postal Service and its operations.

How can I reach a postal supervisor?

Begin by calling NAPS Headquarters at 703-836-9660. Ask for Executive Vice President Chuck Mulidore or another resident officer. NAPS also can provide congressional offices with the names and contact coordinates of its state legislative chairs and branch legislative representatives.

How can I get information about NAPS?

For general information, visit: www.naps.org

For more detailed information, contact us by email, mail, phone or fax:

NAPS Headquarters
1727 King St., Suite 400
Alexandria, VA 22314-2753

napshq@naps.org

703-836-9660 (phone)

703-836-9665 (fax)

For legislative or political information, contact:
Bob Levi, naps.rl@naps.org

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