# PRODUCING LEGISLATIVE PARTNERS



NATIONAL ASSOCIATION
OF POSTAL SUPERVISORS

2020 LEGISLATIVE ISSUES BRIEF





# **Five Things to Know About**

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### The U.S. Constitution Established the U.S. Postal Service as a Governmental Institution

Our nation's publicly owned postal operation predates the creation of the United States. Postal services were essential to communications and commerce in Colonial America, just as they are today. The distinguished 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 that a governmental postal service was essential to link communities throughout the nation.

Consequently, our Founding Fathers enshrined the Postal Service in the U.S. 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 1970, Congress reorganized the Post Office Department and created the U.S. Postal Service as an independent agency of the Executive Branch. Today, the Postal Service provides Americans with the world's largest and most affordable acceptance, processing and delivery network, serving households and businesses, both large and small.

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#### **No Taxpayer Dollars Support the U.S. Postal Service**

The U.S. Postal Service is self-funded and does not use taxpayer dollars to fund its operations. The Postal Service operates as a unique governmental entity; it is expected by law to cover its costs through postage revenue. The Postal Service has not received taxpayer dollars to fund operations since 1982. Its operating revenue totaled \$71.3 billion in Fiscal Year 2019, relying on the sale of postage and mail products. Price adjustments for its market-dominant products are limited by an overly restrictive inflation cap. The Postal Regulatory Commission concluded that this rate system ill-serves the Postal Service and undermines its universal service obligation.

3

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

The Postal Service employs over 633,000 Americans and has a long and proud history of providing career opportunities to veterans, reservists and their family members. Over 100,000 Postal Service employees, representing one-sixth of the Postal Service's 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 assist qualified veterans find secure and stable careers at the Postal Service.

## the Postal Service

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## **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 2019, the Postal Service distributed mail to 160 million delivery points per day, 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 one-half of all bills are paid by mail. The Postal Service is the driver of a \$1.4 trillion-a-year mailing industry that employs 7.5 million people across the country, or six percent of the nation's jobs. Overall, the Postal Service and related industries contribute to 7% 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 post in the world. It also is the world's largest retail network—larger than McDonald's, Walmart and Starbucks (in the U.S.) combined. During the past fiscal year, the Postal Service handled 143 billion pieces of mail—147 million per day.

UPS, FedEx and—now—Amazon do not deliver to rural and remote locations that are not profitable; instead, 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 55 cents for a letter going anywhere in the U.S. and its territories, even though it receives NO tax dollars for its operating expenses and must cover all of its own costs. The only country in the world that has cheaper postage is Malta, a country of approximately 100 square miles.

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#### **Postal Service Customer Trust Is at Record Levels**

While public confidence in many government institutions, including Congress, has fallen to record lows, customer trust in the Postal Service is exemplary. Recent Gallup and Pew Research polls have ranked the Postal Service as the highest-rated federal agency. In addition, for more than a decade, the American public has rated the Postal Service the most-trusted government agency in the annual Ponemon Institute's annual survey. Finally, the Postal Service ranks as one of the 10 most-trusted companies, which includes the private sector.

These results reflect the high regard the Postal Service commands 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.



## **Postal EAS-Level Consultations: The Need for Fairness and Equity**

ecent NAPS experience has demonstrated that nothing short of legislation will yield a fair and equitable process to "consult" over pay and benefits for the 47,000 Executive-Administrative-Schedule (EAS) level postal employees. Currently, the determination of pay and benefits for EAS-level employees is subject to excessive delay, undue secrecy and a lack of accountability.

Unlike postal employees represented by labor unions, employees represented by NAPS do not benefit from "collective bargaining" or the right to binding arbitration in the event of an impasse between NAPS and the USPS. In contrast, section 1004(f) of *Title 39* of the U.S. Code provides postal supervisors, managers and postmasters with a "consultative process," with the expectation that front-line managers and Postal Headquarters would be able to work collaboratively to seek equitable and fair compensation.

Section 1004(f) provides for the appointment of a Federal Mediation and Conciliation Service (FMCS) fact-finding panel in the event of an impasse; however, the USPS can and has summarily rejected or ignored the findings of such a panel. NAPS has twice secured the assistance of fact-finding, most recently in 2018. The 2018 fact-finding case, released in spring 2019, found in favor of NAPS, but was rejected by the USPS.

As currently codified, Section 1004(f) fails on three levels. First, the consultative process begins only after the largest postal labor union concludes its negotiations with the USPS. This delay harms front-line postal managers because, in most instances, the old pay-and-benefits package lapses a year or more before implementation of a new package.

Second, the Postal Service is able to withhold relevant compensation and workforce data from NAPS before and during the consultative process. Withholding this data is a disadvantage to EAS employees because the information can help NAPS advocate on behalf its members during consultations.

Third, the Postal Service is unaccountable for its consultative decision-making as it can ignore or reject the deliberative conclusion of the independent and expert FMCS fact-finding panel. Last year, the three-member fact-finding panel concluded unanimously that the proposed USPS pay and benefits package was not in compliance with the provisions in section 1004 of *Title 39*.

Specifically, section 1004(a) directs the USPS to provide compensation and benefits: (1) comparable to the private sector; (2) reflecting an adequate differential between supervisors/managers and the individuals they supervise/manage; (3) to sustain a well-motivated workforce; and (4) to attract qualified supervisory and managerial personnel. The independent FMCS panel agreed with NAPS on virtually every item of disagreement with the USPS.

For example, the three-member panel recom-



mended substantial changes to EAS pay rates and recovery of lost pay resulting from the length of the consultative process. In addition, the panel concluded the USPS pay-for-performance system is flawed and should be replaced.

Also, the panel urged the USPS and NAPS to convene a joint working group to deliberate over a number of compensatory issues, with the assistance of an independent expert mediator. Regrettably, the USPS summarily rejected these findings. Consequently, NAPS calls on Congress

to enact legislation to provide a fair and equitable process for conducting pay consultations.

NAPS is working with a key congressional ally on a bill to improve consultations. There are two major areas NAPS seeks to address. First, the legislation would calibrate the start of the EAS consultative process to the expiration of the existing consultative pay and benefits package. Second, the legislation would provide for a credible fact-finding process by which the findings of the fact-finding panel would be binding on the USPS.

#### **Our Benefits, Our Rights, Our Postal Service**

## Postal and Federal Employees Targeted Again: White House FY21 Budget Submitted to Congress on Feb. 10

APS is opposed to using the White House budget or the congressional budget process to cut earned employee benefits or pave the way for actions that would privatize the Postal Service.

NAPS is determined to fight proposed cuts to federal retirement and health benefits. Federal and postal employees and retirees have been promised hard-earned retirement and health benefits essential to their future financial and health security. Cuts in these benefits would break a congressional commitment that deserves to be upheld.

The just released Fiscal Year 2021 White House budget proposes to cut federal retirement benefits and require employees to pay more for these benefits. In part, the budget proposes to increase employee retirement contributions to FERS approximately six-fold, eliminate the

COLA for FERS retirees and reduce the CSRS COLA by 0.5%, change the calculation of federal annuities from the high-3 to the high-5, reduce the earned interest in the Thrift Savings Plan G Fund and eliminate the Special Retirement Supplement for FERS annuitants who retire prior to reaching Social Security eligibility. The projected 10-years savings from these proposals total \$179.5 billion.

Time and time again, federal employee and retiree pay and benefits have been used to offset other spending priorities and bear the burden of reducing a now over-\$1-trillion budget deficit. Since 2011, federal employees and retirees have contributed more than \$120 billion toward deficit reduction.

Federal employee paychecks were frozen for three years starting in 2011, followed by three



years of reduced pay increases. Postal Service managers and employees, paid under different pay systems, also have suffered.

For example, in 2013 and 2014, Congress increased newly hired federal employee contributions toward their retirement benefits to offset the costs of the "Middle Class Tax Relief and Job Creation Act of 2012" and the "Bipartisan Budget Act of 2013."

Congress needs to find ways to fund government operations in the most sensible ways possible without wasting taxpayer funds, but not at the expense of the federal employee community.

These are the men and women who deliver our mail, protect our borders, conduct food-safety inspections, care for our veterans and help respond to natural disasters. Their careers have been humbly built on serving their county and the American people. They neither are the cause nor the solution to this country's deficits and its debt. Neither should they be the scapegoats.

The President also proposes to use his FY21 budget as a means to leverage postal privatization and the erosion of universal service. In part, the President's budget seeks to do the following: make changes to delivery frequency, processing and mode; increase the use of contracting-out postal operations; and open-up the mail box to private couriers. These changes would undermine the confidence the American public has in the Postal Service.

#### **Equity of All EAS Postal Employees**

The need remains for Congress to clarify current law to assure that all employees in the Executive and Administrative Schedule of the Postal Service may appeal adverse personnel actions to the U.S. Merit Systems Protection Board. Currently, 7,500 non-supervisory management personnel are locked out of MSPB appeal rights. H.R. 597 would correct the situation and assure MSPB access to all Postal Service nonbargaining employees, regardless whether they supervise USPS operations. The legislation also would extend MSPB appeal rights to employees of the Office of Inspector General of the Postal Service.

Currently, the MSPB has no members. The President has nominated a new chairman, vice-chairman and member. The three nominees are pending before the Senate.

#### Retirement Equity for Civil Service Retirement Annuitants and Survivors

Since the early 1980s, Civil Service
Retirement System (CSRS) annuitants have been victimized by two provisions added to the Social Security law. One provision is known as the Windfall Elimination Provision (WEP). This law reduces earned Social Security benefits to account for rightfully earned CSRS benefits.

The other provision, known as the Government Pension Offset (GPO), reduces the Social Security benefits of widows and widowers who are entitled to survivor annuities left them by their deceased spouses. Taken together or separately, these offsets are mean-spirited and financially harmful to CSRS annuitants and surviving spouses.

NAPS is supporting a number of bills relating to the WEP and the GPO. The first two, H.R. 141

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and S. 521, would repeal these provisions outright. H.R. 4540 would implement a fairer WEP formula and provide modest relief to current retirees impacted by the WEP.

#### **Equity of Postal Parents**

In late December, President Trump signed into law the "National Defense Authorization Act."

One of the provisions included in the legislation

was a new benefit for federal employees: 12 weeks of paid parental leave per year. Paid leave would be available following the birth, adoption or foster placement of a child.

Regrettably, the legislation failed to provide paid parental leave for postal employees. NAPS believes Congress should correct this oversight and authorize such leave for employees of the U.S. Postal Service.

#### **The Threat of Reductions in Mail Service**

The U.S. Postal Service may close and consolidate more mail processing facilities and close and reduce hours at retail facilities should Congress fail to pass postal reform legislation that provides the Postal Service greater financial stability. If the Postal Service proceeds with further plant consolidations and retail reductions, more decreases in service likely will occur, harming millions of businesses and households, eliminating thousands of jobs, eroding the Postal Service brand and further reducing Postal Service revenue.

Serious concerns about USPS plant consolidations and retail reductions and their impact on mail service have been raised in the past by the Government Accountability Office, the Office of Inspector General of the Postal Service and members of Congress. Members of Congress also have raised concerns about the reluctance of the Postal Service to provide communities with the opportunity to provide input on the consolidations.

Significant closures and consolidations of mail processing facilities occurred in 2012 and

2015; more could arise. In 2012, under Phase I of its "Mail Processing Network Rationalization Plan," the Postal Service consolidated 141 processing facilities. In 2015, the Postal Service sought to consolidate 82 additional mail processing facilities in 37 states.

However, the Postal Service suspended Phase II in 2015 following the consolidation of 37 pro-

cessing facilities and congressional resistance in response to steady declines in mail-service quality in the overnight and three-to-five-day markets as a result of the consolidations.



Numerous surveys (for example, the Pew Trust, the Gallup Organization and Ponemon Institute) have demonstrated the strong public approval and trust the American public has in the Postal Service. Reductions in service would undermine that confidence.



#### **Postal Reform: The Need Is Urgent**

Congress needs to take action to revitalize the nation's postal system. Although the House of Representatives recently took a small step in the right direction in passing H.R. 2382, the "USPS Fairness Act," a comprehensive proposal to ensure postal vitality has yet to emerge during this Congress. NAPS believes that meaningful, comprehensive legislation would put the Postal Service on a more sustainable financial path. NAPS continues to support comprehensive proposals that would assure prompt and reliable mail service to all Americans through sufficient postage revenues, efficient postal operations and fair fiscal treatment of the Postal Service.

Recently passed H.R. 2382, if enacted into law, would repeal the onerous Postal Service requirement to prefund its future retiree health benefits. The Postal Service has been unable to meet this obligation since FY12. If the repeal measure was current law, the Postal Service would have reduced its FY19 losses by \$1.5 billion.

Nevertheless, the House-passed bill alone would not solve the USPS' imminent liquidity crisis and equip it with tools to attain long-term viability. In 2017, the bipartisan "Postal Service Reform Act of 2018" (H.R. 6076) was approved by the House Oversight and Government Reform Committee by voice vote. However, H.R 6076 died with the adjournment of the 115th Congress. Also, as Congress adjourned, the bipartisan Senate version of the "Postal Service Reform Act" was pending on the Senate floor.

#### White House Interest in Postal Reform

In December 2018, the President's Task Force on the Postal System, appointed by President Trump, unveiled its findings and recommendations. The task force was chaired by the secretary of the Treasury and included the directors of the Office of Management and Budget and the Office of Personnel Management. The group was charged with evaluating postal pricing, eroding mail volume, the universal service obligation, the role of the Postal Service in the U.S. economy and the state of the USPS business model, workforce and operations.

The task force met with the major postal stake-holders, including the National Association of Postal Supervisors. Issuance of the task force's report was preceded in June 2018 by the Trump administration's government reorganization plan, which proposed that the Postal Service be privatized.

The 69-page report recommended a new USPS business model, with added reliance on private competitors and a reduced universal service obligation to meet the nation's communication and commerce needs. The report favored retention of the comprehensive USPS delivery network, but would loosen the delivery and mailbox monopolies and provide greater advantage to the Postal Service's competitors. The report's 25 recommendations, 15 for implementation by the Postal Service and Postal Regulatory Commission and the remainder for congressional approval, do not call for privatization of the Postal Service, but represent a path for transi-

tion to a privatized Postal Service.

The task force recognized the reliance of rural America and outlying communities on the Postal Service and the necessity for preserving the comprehensive postal network. The report also noted the seven current vacancies on the Postal Board of Governors and the board's important responsibilities for strategic planning and governance.

The task force also suggested that the Postal Service explore and implement new products and services that would generate revenue and co-locate complementary retail establishments in existing postal facilities. Finally, the task force suggested that the Postal Service's retiree health liability be reamortized and recalculated using actuarial data limited to current retirees and employees near retirement—not all postal employees and retirees as currently calculated.

The task force report also included more problematic recommendations. The task force urged the Postal Service to expand the contracting-out of postal operations, including retail service, mail acceptance and mail processing. And it recommended pricing competitive products, such as small parcels, to bear a significantly larger portion of the Postal Service's overhead costs—a view consistent with United Parcel Service's agenda and the President's views regarding Amazon.

This recommendation sets the stage for a full-frontal pricing assault on package shippers through higher pricing that captures the greater costs of the Postal Service's universal service obligation (USO), capital expenditures and long-term liabilities. This new burden would result in escalating prices for parcels originating or deliver-

ing to rural and outlying areas. Also, the task force would restrict the scope of the USO to those postal products and services deemed "essential" versus types of mail and packages deemed "commercial" and without government protection.

Consequently, the universal service obligation would be limited to correspondence, financial transactions, government mail, prescription drugs and parcels sent between consumers. All other mailed material would be excluded from the universal service obligation. This USO limitation would significantly reduce revenue and volume.

Finally, there are recommendations in the task force report that upend the Postal Service's historic role as a government-reliant contributor to commerce and communication throughout the nation. The task force recommendation that delivery mail boxes be opened up to private-sector competitors through licensing agreements raises a host of privacy and operational concerns, as does the conversion of more post offices to privatized contract units.

The task force's recommendations to redefine and narrow the USO and limit access to government-operated postal retail facilities raise concerns about the affordability and accessibility of the nation's postal system. The recommendations to reduce postal services and delivery days disregard steadfast, decades-long directives by Congress. Similarly, the recommendation to require USPS employees to contribute more to the Federal Retirement System and, where possible, to convert the system to a defined contribution system would generate strong resistance in Congress.



#### The Ingredients of Postal Reform

APS believes that constructive postal reform requires the assurance of prompt and reliable mail service to all Americans through sufficient postage revenues and efficient postal operations. Postal reform includes the following features:

#### Retiree Health Benefit Funding Reform

The massive and unfair retiree health liability imposed on the USPS by the "Postal Accountability and Enhancement Act of 2006" continues to undermine the agency's ability to remain financially viable. For more than a decade, an annual \$5.7 billion prefunding mandate accounted for most of the Postal Service's losses, despite USPS deposits of more than \$50 billion over the past 10 years into the Postal Service Retiree Health Benefits Fund.

On Feb. 6, the House passed H.R. 2382 by an overwhelming bipartisan vote of 309-106. This legislation, if enacted, would repeal the mandate that the Postal Service prefund future retiree health benefits, helping stabilize USPS finances. Its Senate companion, S. 2965, is pending before the Senate Committee on Homeland Security and Governmental Affairs.

#### **Postal Rate Increase**

The Postal Service is entirely funded by postage and does not rely on taxpayer dollars. As a result, the agency's financial stability rests on adequate postage rates. Past postal reform legislation would have allowed the USPS to increase postal rates for market-dominant products above the inflation rate by 2.15%, or 1 cent, for a First-Class stamp.

As required by the 2006 postal reform law, the Postal Regulatory Commission (PRC) in 2018 released its 10-year review of the Postal Service's rate structure and cost allocation methodologies, finding that the current rate structure has not maintained the financial health of the Postal Service. At that time, the PRC recommended a new approach toward generating positive net income and retained earnings, relying on an increase in postage rates of 2% per year for the next five years and a possible additional 1% increase each year when the Postal Service has demonstrated need and adequate service performance.

Just three months ago, in December 2019, the PRC revised its 2018 recommendation. In the new proposal, the PRC proposed that the current consumer-price index-based rate adjustment be maintained. However, that adjustment would be modified to account for the amount the USPS is required to prefund retiree health and retirement benefits and to account for the loss in mail volume per delivery point. In addition, the PRC proposed a performance-based upward rate adjustment.

On Jan. 31, NAPS filed formal comments with the PRC commending its recommendation to provide the USPS more rate flexibility. However, NAPS proposed that the PRC scrap the consumer price index currently used and replace it with the inflation rate experienced by the delivery service industry.

The index currently used, the CPI-U, measures

inflation for products purchased by urban consumers. The CPI-U rose at an average annual rate of 3.9% since this rate-cap was implemented 13 years ago.

In contrast, the NAPS-recommended rate would use the CPI for delivery services, which rose by an average annual rate of 11.3%. The USPS would *not* have to raise postage to that limit. However, the new index could provide the agency with enhanced flexibility to adjust to evolving market conditions.

#### **Postal Service Health Benefits Program** and Medicare Integration

Retiree health care costs represent a significant expenditure for the Postal Service; the agency is the single largest payer into Medicare. More than 75% of postal retirees maximize the value they earned through contributions to Medicare over their postal careers, reflected by the negligible out-of-pocket health care expenses Medicare participants enjoy.

These retirees benefit from no copayments or deductibles for most medical costs. Their full participation as retirees also reduces FEHBP premiums for all postal FEHBP participants because of Medicare's role as the primary insurer for Medicare-eligible retirees. NAPS is working with our postal allies to seek the best arrangement to integrate Medicare and FEHBP coverage without major disadvantage to current retirees.

Members of Congress currently are discussing voluntary Medicare enrollment for current Medicare-eligible retirees who thus far have declined enrollment. These retirees would be able to enroll without the late penalty.

#### Governance Reform

Currently, four of the 11 USPS Board of Governors positions are vacant. Postal reform legislation introduced in the 115th Congress (H.R. 6076), supported by NAPS, would have reduced the number of presidentially nominated governors from nine to five, each with a seven-year term. In addition, the postmaster general (PMG) and the deputy PMG would serve on the board, as they currently do.

#### Centralized or Curbside Delivery

Legislation in the 115th Congress (H.R. 6076) called for postal cost savings though phased-in conversion of business door deliveries to curbside or centralized mailboxes. NAPS does not support strategies that would compromise mail security and reduce the service level postal customers expect. In the current Congress, NAPS supports H. Res. 23, a nonbinding resolution that expresses the sense of the House of Representatives that residential and business door mail delivery should be maintained.

#### **Innovative Services**

The success of the nation's postal service throughout the past two centuries has rested on its capacity to evolve as America itself changed. Postal reform legislation should authorize the Postal Service's delivery of nonpostal services to state, local and tribal governments and other federal agencies. It also should require the Postal Service to establish and appoint a Chief Innovation Officer to manage the Postal Service's development and implementation of innovative postal and nonpostal products and services.

#### Shipment of Alcoholic Beverages

NAPS supports congressional encouragement of postal innovation and authorization of USPSshipping of alcoholic beverages, ending the Prohibition-era ban that prevents the Postal Service from shipping alcoholic beverages to consumers.

Consumers and manufacturers currently are prohibited from using the Postal Service to ship or deliver alcoholic beverages. These needless restrictions hurt Postal Service market share and revenues because private shippers, such as UPS and FedEx, are exempt from such rules.

The Postal Service has estimated that its shipment of alcoholic beverages would generate \$50 million annually in new revenue under legislation such as the "United States Postal Service Shipping Equity Act," H.R. 2517, introduced by Rep. Jackie Speier (D-CA). The bill would allow the Postal Service to ship alcoholic beverages directly from licensed producers and retailers to consumers over the age of 21, in accordance with state shipping regulations.

#### **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 that the Postal Service was well-suited to provide nonbank 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 mainstreamwithout 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) or about 10% of the entire commercial banking system. Worldwide, 1.5 billion people receive some financial services through their postal service.

NAPS supports the restoration of limited postal banking services by the Postal Service and publicprivate arrangements between the Postal Service and financial institutions. Legislation introduced in the 115th Congress would have expanded the authority of the USPS to provide basic financial services, including small-dollar loans, checking accounts, interest-bearing savings accounts and services relating to international money transfers.

#### **Modernizing Investment of RHBF Assets**

Revising how Retirement Health Benefit Fund (RHBF) assets are invested would provide a higher rate of return and reduce the Postal Service's retiree health liability. At the conclusion of FY18, the RHBF contained \$44 billion in assets.

NAPS supports legislation to authorize the investment of USPS retiree health assets in index funds offered by the Thrift Savings Plan. The "Postal Service Financial Improvement Act of 2017," H.R. 2553, introduced by Rep. Stephen Lynch (D-MA), would modernize how these funds are invested and bring these investment practices in line with private-sector business and investment practices. Last Congress, an identical bill was approved by the House Oversight and Government Reform Committee in spring 2017.

## **Bills To Co-Sponsor**

The National Association of Postal Supervisors encourages sponsorship of the following bills:

#### **House Legislation**

#### H.R. 597—Postal Employee Appeal Rights **Amendments Act**

Primary Sponsor: Rep. Gerald E. Connolly (D-VA-11), introduced Jan. 16, 2019 Contact: Kristine Lam, 202-225-1492

kristine.lam@mail.house.gov

The bill would confer to approximately 7,500 nonsupervisory managerial postal employees the right to appeal significant personnel actions to the Merit Systems Protection Board. Nonsupervisory 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. 141—Social Security Fairness Act

Primary Sponsor: Rep. Rodney Davis (R-IL-13),

introduced Jan. 3, 2019

Contact: David Ross, 202-225-2371 david.ross@mail.house.gov

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

#### H.R. 4540—Public Servants Protection and Fairness Act

Primary Co-Sponsor: Rep. Richard Neal (D-MA-1), introduced Sept. 27, 2019

Contact: Elizabeth O'Hara, 202-225-5601 elizabeth.o'hara@mail.house.gov

The legislation would establish a new, fairer formula to pay Social Security benefits in proportion to the share of a worker's earnings covered by Social Security. Current WEP retirees would receive \$150 a month in relief payments.

#### H. Res. 23—Resolution to Maintain Door **Mail Delivery**

Primary Sponsor: Rep. Susan Davis (D-CA-53),

introduced Jan. 4, 2019

Contact: Lisa Sherman, 202-225-2040

lisa.sherman@mail.house.gov

This nonbinding resolution expresses the sense of the House of Representatives that residential and business door mail delivery should be continued.

#### H. Res. 33—Resolution to Oppose Privatization of the U.S. Postal Service

Primary Sponsor: Stephen Lynch (D-MA-8),

introduced Jan. 9, 2019

Contact: Bruce Fernandez, 202-225-8273

bruce.fernandez@mail.house.gov

This nonbinding resolution expresses the sense of the House of Representatives that Congress should ensure that the U.S. Postal Service is not privatized and remains an independent establishment of the federal government.

#### H. Res 54—Resolution to Maintain Six-Day **Mail Delivery**

Primary Sponsor: Rep. Gerry Connelly (D-VA-11),

introduced Jan. 16, 2019

Contact: Kristine Lam, 202-225-1492

kristine.lam@mail.house.gov

This nonbinding resolution urges the U.S. Postal Service to take steps to ensure continuation of its six-day mail delivery service.

#### **Senate Legislation**

#### S. 521—Social Security Fairness Act

Primary Sponsor: Sen. Sherrod Brown (D-OH) Contact: Chanty Gbaye, 202-224-2315

chanty gbaye@brown.senate.gov

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

#### S. 2965—USPS Fairness Act

**Primary Sponsor: Sen. Steve Daines (R-MT)** Contact: Will Parsons, 202-224-2651 will\_parsons@daines.senate.gov

This bill would repeal the requirement that the U.S. Postal Service annually prepay future retirement health benefits.

#### S. Res. 99—Resolution to Oppose Privatization of the U.S. Postal Service

Primary Sponsor: Sen. Gary Peters (D-MI) Contact: Annika Christensen, 202-224-2627 annika\_christensen@hsgac.senate.gov

This nonbinding resolution expresses the sense of the Senate that Congress should ensure that the U.S. Postal Service is not privatized and remains an independent establishment of the federal government.



## **Frequently Asked Questions About**

#### What is NAPS?

The National Association of Postal Supervisors (NAPS) is a management association representing over 27,000 active and retired postal supervisors, post-masters and managers employed by the United States Postal Service. 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 managers working in either mail processing or mail delivery—what's called "operations." Others are postmasters working in post offices. NAPS represents 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 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 postal supervisors?**

Workforce downsizing and other challenges and changes have dramatically impacted postal supervisors. 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) and the same federal health insurance program (FEHBP) as all federal employees. However, unlike other federal components, the Postal Service is obligated to make prefunding payments for its future retiree health obligations—without the benefit of appropriated taxpayer dollars.

#### How are the wages of postal supervisors set?

The pay of postal supervisors 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 Ivan Butts 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 quickly?

For general information, visit NAPS' website: 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)



## **National Association of Postal Supervisors**

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