



NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters
1727 KING STREET, SUITE 400
ALEXANDRIA, VA 22314-2753
Phone: (703) 836-9660

Statement of
Ivan D. Butts, National President
National Association of Postal Supervisors

Hearing Before
Senate Committee on
Homeland Security and Governmental Affairs

April 16, 2024

Chairman Peters, Ranking Member Paul, and members of the committee, thank you for providing the National Association of Postal Supervisors (NAPS) the opportunity to share our views regarding postal finances and performance. In addition, NAPS intends to restate our well-documented and enduring concerns about the safety of our employees who serve the American public, the protection of postal property under our care, and the security of mail in our custody.

As members of the Committee may know, NAPS represents approximately 47,000 postal supervisors, managers and postmasters employed by the U.S. Postal Service (USPS). These frontline stewards of our nation's mail system manage mail processing, delivery, and retail and support functions of the USPS. These dedicated and diligent individuals are integral to our nation's most trusted federal agency and are grateful for the vital congressional oversight conducted by this Committee. Congressional oversight is among the most consequential responsibilities of the legislative branch of government. Therefore, I am confident that NAPS' past and ongoing engagement with the Senators and staff members of this Committee has and will continue to contribute to constructive and meaningful congressional USPS oversight. Ultimately, NAPS hopes congressional attention leads to appropriate legislative and regulatory efforts.

In September 2022, I had the privilege of testifying before the House Committee on Oversight and Government Reform, at which time I raised two major concerns that,

regrettably, have come to fruition. First, those portions of the USPS' "Delivering for America" (DFA) plan calling for expedited postal processing and logistics facility consolidations and realignments were premature. Second, eliminating postal police officers' law enforcement authority to protect postal employees, property, and mail outside a postal facility would adversely impact employee safety and the sanctity of the mail.

In 2022, NAPS pointed to the lack of transparency, stakeholder engagement, regulatory review, and beta-testing regarding plant realignment and consolidations. NAPS anticipated the current performance challenges. At the House hearing, and subsequently, NAPS urged Postal Service leadership to take its foot off the gas pedal to consider the feasibility of the plans more carefully, and to evaluate how each consolidation would impact performance and expenses. We also implored Congress to exercise its legitimate oversight authority because NAPS foresaw the unanticipated troubles that likely would occur during the rollout. NAPS identified and shared these issues with Postal Service leadership, but, for the most part, our cautions were dismissed.

Moreover, NAPS believed and continues to believe that the Postal Service failed to comply with section 302 of the Postal Accountability and Enhancement Act that requires the agency to "make available any service changes in the affected communities, any other effect on customers, any effects on postal employees, and any costs" prior to the closing or consolidation of any postal processing or logistics facility. In addition, section 302

requires the Postal Service to “afford affected persons ample opportunity to provide input on the proposed decision.”

Finally, section 3661 of Title 39 provides a key tool to assess major operational changes contemplated by the Postal Service. NAPS believes the Postal Service should have requested the Postal Regulatory Commission (PRC) to issue an “Advisory Opinion” prior to implementing the processing and delivery realignment initiative. Section 3361 clearly states that when “there is a change in the nature of postal services which will generally affect service on a nationwide or substantially nationwide basis” it shall submit the proposal to the PRC prior to the effective date of the proposal. If the USPS had complied with this provision, the PRC would have solicited comments from stakeholders, issued an advisory opinion and made constructive recommendations on the proposal. Clearly, this was an avoided opportunity to solicit consequential advice. The mailing public and business community now are experiencing performance difficulties that could have been anticipated and prevented had the law been followed.

House Oversight and Accountability Committee Chairman James Comer authored a critical provision in the 2020 Postal Reform Act that has provided much-needed, high-intensity sunlight on postal performance. NAPS has been monitoring the data and performance in states where major realignments already have been implemented, and in areas where smaller consolidations also have been executed. Using the publicly available

data exposed to the sunlight through Chairman Comer's provision, the American public and Congress can note clearly how on-time first-class mail delivery has suffered – significantly in several regions. For example, first-class on-time performance in Georgia cratered to 42.3% in March; the postal district encompassing Idaho, Montana, and Oregon fell to 82.3%, and North Carolina slipped to 85.4%.

Finally, as the committee knows, the Postal Inspector General recently concluded an independent review audit of the Richmond, Virginia realignment. The operational challenges faced by the Richmond facility contributed to a peak mailing season performance in Virginia of only 76.5%. The USPS on-time first-class fiscal year 2024 target is 92.5%. I hope the committee can understand the angst shared by your constituents and the mailing community because the USPS is not pausing its DFA implementation in light of the performance issues. NAPS believes a temporary halt is necessary to better evaluate the feasibility of each planned consolidation and realignment. Prior to implementation, the Postal Service should solicit and consider the input of postal stakeholders, as well as Congress. This is consistent with the recent request made by Chairman Peters in his March 19 letter to the Postmaster General. However, the DFA juggernaut continues unabated.

NAPS has heard from our members about sizeable staffing challenges experienced in the newly configured processing units as the consolidations unfold. These challenges are shared both in the managerial complement and in the employee workforce. The absence of

meaningful supervisory and employee training also hinders effective implementation of the DFA. Moreover, NAPS also has been advised of facilities not being able to accommodate new machinery. As a result, facilities needed to be modified, further impairing mail processing.

The nature of consolidation plans can and will create major pinch-points if something goes wrong at a particular plant; mail can be delayed for days. This happened at multiple locations. Facility modifications and staff quick fixes elevate implementation costs of the DFA. It would be appropriate to have an accounting of these additional expenditures. In addition, we have heard from our postmasters that rural services could be compromised by shifting postal services out of post offices and into larger facilities, rendering the post offices expendable.

Therefore, as I previously stated, NAPS concurs with Chairman Peter's wise request to suspend further implementation of plant realignment and consolidations until operational challenges can be effectively anticipated and addressed. Moreover, we respectfully request the USPS constructively engage with the skilled and experienced supervisors, managers, and postmasters – all who have a vested interest in the DFA's success – to develop solutions to the current logistical problems experienced by DFA implementation. This is a superior strategy than to presenting the plan to frontline managers as a fait accompli.

NAPS also wants to alert the Committee of beneficial bipartisan legislation to clarify the law enforcement authority of the uniformed members of the Postal Inspection Service – postal police officers. Apparently, Title 18 of the United States Code needs to be clarified to confirm that postal police officers are permitted to protect postal employees, postal assets, and the mail, whether inside or outside a USPS facility, because the USPS changed its rules regarding postal law enforcement.

Until about four years ago, postal police had the authority to prevent and investigate postal-related crime on and off USPS property. In 2020, such authority was restricted to postal facilities. NAPS knows of no pre-2020 issues with the exercise of the broader authority. Senators Dick Durbin and Susan Collins introduced S. 3356, the Postal Police Reform Act, legislation to restore postal police law enforcement authority to its pre-2020 status. NAPS appreciates committee members Sinema, Blumenthal and Rosen for co-sponsoring the bill. We hope more committee members will support the bill and expeditiously move it to the Senate floor.

The measure is strongly supported by the Postal Police Officers Association, the National Association of Police Organizations, the Fraternal Order of Police, and the Federal Law Enforcement Officers Association. The harm of pulling police off the street has been stark. Ever since the USPS removed postal police officers from their historic role of protecting

employees, property, and the mail, postal crimes have escalated to the point that financial institutions are advising postal customers to find alternatives to the Postal Service.

Since fiscal year 2019, mail theft has increased by 87% and attacks on postal employees delivering the mail have increased by about 600%. In addition, the U.S. Treasury Department's Financial Crime Enforcement Network has reported check fraud attributable to mail theft doubled over the past year. Prior to summer 2020, the USPS successfully deployed postal police Letter Carrier Protection Patrols in areas of high-risk and high crime. Letter carriers and postal employees valued the protection and mail was safer. Such patrols significantly decreased postal-related crimes in cities such as Los Angeles and Washington, DC.

The Postal Service has sought to deflect the reasons for the increased postal-related crime to U.S. Attorney inattention and lenient criminal sentencing. The agency also levels blame at "arrow key" vulnerability. Let me just state that NAPS welcomes efforts to highlight postal crime with prosecutors, increase the penalty for assaulting postal employees, and replace "arrow keys" for postal receptacles with a more secure means of property protection. However, these strategies will have limited success without the informed deployment of uniformed, visible postal police officers.

Please permit me to address tactics that may decrease postal crime. First, the Postal Inspector General documented that U.S. Attorneys already are prosecuting postal-related crimes. A September 2023 Postal Inspector General report on postal crime indicated 92% of mail theft cases and 89% of mail robbery cases presented to an attorney for prosecution were accepted. Second, the Department of Justice's National Institute of Justice concluded, based on empirical research, the probability of being caught committing a crime is a vastly more effective deterrent than the severity of punishment. Consequently, law enforcement visibility is the most effective constraint on crime. Third, arrow key replacement will take time and does little to protect mail being carried by postal employees, or conveyed in a postal vehicle; nor will it safeguard postal employees on the street. In sum, the most successful strategy is to restore the law enforcement authority that postal police formerly enjoyed.

Finally, the Postal Service's financial condition continues to be a major concern to NAPS. Thankfully, congressional recognition of the financial harm imposed by the USPS' past requirement to prefund retiree health obligations led to the provision's repeal just two years ago. That statutory correction provided much-needed financial relief to the Postal Service. Nevertheless, the Postal Service continues to operate underwater, absorbing a loss of \$6.5 billion for fiscal year 2023. Simply raising postage rates is not the answer.

What is most alarming to the postal supervisors, managers, and postmasters whom I represent is the continued decline in mail volume. We are concerned performance and security issues are deflating volume. The mailing public doubts increased postage equates with enhanced performance. The mailing public and business community traditionally have relied on the Postal Service for dependable and timely communication and commerce. They now are compelled to seek alternative channels to communicate and conduct business. Our goal must be to restore confidence in our national mail system.

The Gallup Organization quantified that loss in confidence this past fall. Although the Postal Service is still the most valued federal agency, its approval rating has slipped from 77% in 2019 to 62% in 2023. Simply doubling down on parcels without maintaining quality first-class mail, will not result in success or rebuild public trust. Mail is touched by everyone, everywhere, every day. While about one-third of postal revenue is attributable to parcels in fiscal year 2023, its volume accounts for only 6%. Americans continue to value first-class mail.

Over the many decades, Congress and successive Administrations have acknowledged the Postal Service's vital importance as an integral part of the nation's essential infrastructure. Indeed, the underlying postal statute declares the Postal Service to be the governmental entity that "binds our nation together." In part, for this reason, Congress set aside \$10 billion to stabilize the Postal Service in the wake of the COVID-19 pandemic, providing the

resources necessary to fulfill and deliver millions of COVID tests to the American public and buttress the agency. This helped ensure our democracy would not be undermined because of the pandemic. Furthermore, Congress appropriated \$3 billion to help restore a depleted and obsolete postal delivery fleet.

NAPS recognizes this Committee's appreciation of the USPS' universal service obligation (USO), which strives to provide rural America with the same standard of service as its non-rural counterparts – at the same cost. It is important to note the Postal Regulatory Commission estimated the USO to cost \$6 billion in fiscal year 2023. NAPS believes that Congress will need to prioritize federal resources and its attention to the Postal Service. The goal should be to enhance the Postal Service's role to receive, process, and deliver those materials and information that other logistics providers cannot or will not.

In addition, during national emergencies, the nation's most-trusted governmental provider must be able to deliver vital products to the American public, no matter where an individual may live or work. And, notably, the Administration will need to correct the method used to calculate the Postal Service's retirement liability. The unfair formula, which has cost the USPS billions of dollars, has been a longstanding concern of NAPS and others in the postal community.

Absent a viable Postal Service, rural America will suffer, seniors will suffer, our friends and neighbors will suffer, and American businesses will suffer. This committee's work is essential to confirm the Postal Service performs at the level Americans expect and deserve; to ensure the security and safety of the postal workforce, postal assets, and the mail; and to equip the Postal Service with the resources it needs for years to come. NAPS looks forward to continuing to work with the Committee as it strives to accomplish these achievements.

Thank you.