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LEGISLATIVE ALERT!

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Dear Senator:

This week the Senate will debate and amend S. 1789, the 21st Century Postal Act, to address a crisis facing the United States Postal Service (USPS). The USPS is an essential communications network and national asset that touches every household, business and community in your state. More than 7.5 million workers' jobs and nearly a trillion dollars of the U.S. economy depend on this reliable institution.

On behalf of the AFL-CIO, we urge the Senate to reject measures in S. 1789 that will weaken this national resource, which every day delivers more than a half-billion cards, letters, magazines, prescription drug orders, e-commerce sales and mail-order packages to 150 million addresses, six days a week. At the same time, we enthusiastically endorse a number of amendments that will preserve high-quality services for the American people. A strong USPS is good for business and good for America.

The AFL-CIO strongly opposes the McCain (#2001) amendment that would substitute H.R. 2309, a draconian downsizing bill in the House that would destroy 200,000 jobs and dramatically reduce the quality of services. We urge you to vote against it.

Our federation urges the Senate to adopt five amendments that are particularly important to our affiliates (NALC, APWU and LIUNA-NPMHU) and the 500,000 workers they represent: the Akaka, Casey, Udall, Schumer and Tester amendments.

Delivery Service Standards: The USPS is an integrated system of collecting, processing, sorting and delivering items. To ensure reliability, processing plants and post offices are vital and six-day delivery is essential. Currently, there is a Senate-inspired moratorium on closures and consolidations. There are several amendments that would preserve the standard of service America's households and businesses deserve: The Casey (#2042) amendment would ensure the maintenance of quality delivery service standards; the Udall (#2043) amendment would preserve six-day delivery; the Schumer (#2050) amendment would stop the proposed phase-out of door-to-door delivery for 35 million American households and businesses that currently receive it; and the Tester (#2056) amendment would ensure increased accountability, community input and transparency for your constituents and businesses prior to the closing or consolidation of plants and post offices.

Other amendments would damage service or threaten the viability of affordable universal service by weakening the USPS and opening America's mail boxes to unaccountable commercial providers. Such measures would allow competitors to selectively serve profitable areas and leave high-cost deliveries in rural states and economically disadvantaged urban areas to the USPS – thereby causing everybody's rates to rise. We, therefore, call on the Senate to reject the Paul amendments that repeal the mailbox statute (#2025) and authorize alternative delivery pilot tests (#2028).

Workforce Issues: Our country has enjoyed more than 40 years of stable labor relations in the Postal Service. Steady productivity growth since the Postal Reorganization Act of 1970 has benefited mailers, workers and taxpayers. Both labor and management have developed this system with care and diligence. It has allowed the Postal Service to offer high quality service at the most affordable postage rates in the world, while saving U.S. taxpayers more than \$100 billion in subsidies that existed before Postal Reorganization.

There are several amendments that would attack the collective bargaining rights of postal employees, undermine the representation of postal employees, or force postal workers to retire involuntarily. In particular, the AFL-CIO opposes the following amendments: Paul #2039, DeMint #2046, and Coburn #2061.

The AFL-CIO strongly supports the Akaka amendment (# 2034) that strengthens the Federal Employee Compensation Act by replacing the punitive reforms in S. 1789 with a bipartisan bill enacted by the House.

One remaining item of major concern to the AFL-CIO is the unique and onerous mandate placed on the Postal Service to make huge annual payments to a retiree health benefit fund. This has cost the USPS \$21 billion and accounted for 84% of its reported losses in recent years. No other company or agency in America faces such a mandate. While partly addressed in the managers' substitute to S. 1789, it remains an overwhelming and unnecessary burden on the Postal Service. Returning the \$11 billion FERS overpayment as proposed by the bill, which nearly everyone agrees is the right thing to do, will not compensate for this annual burden. The better solution is to implement the results of independent audits of the postal account in the CSRS pension fund and let the USPS cover its future liability for retiree health with the postal surplus in CSRS. Unfortunately, that solution was dropped from earlier versions of S. 1789.

The Postal Service is a national treasure mandated by the Constitution that serves an essential function to our country and its economy. We urge you to take urgent action to save this uniquely American institution.

Sincerely,



William Samuel, Director
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