



National Association of Postmasters of the United States 2011 Legislative Agenda

NAPUS' 2011 "legislative agenda" represents an outline for legislative action and priorities. Over the course of the year, Congressional activity can impact the status of items on the agenda. Therefore, the emphasis on a particular issue may change and, inevitably, new issues may emerge. For this reason, it is essential to monitor the eNAPUS Legislative and Political Bulletin at napus.org on a regular basis.

Ensure the Viability of a Constitutionally Established Public Service

Article I Section 8 of the U.S. Constitution directs Congress to establish post offices; and, by extension, ensure the continued viability of a universal postal system. NAPUS anticipates that a variety of bills will be introduced to modify the Postal Accountability and Enhancement Act (PL 109-435). Though well-intentioned, these bills may contain provisions that cause concern for Postmasters. Consequently, NAPUS may support specific provisions in the bill, yet not endorse the bill in its entirety; instead, NAPUS will work with Congress to address problematic provisions.

Overall, it is important that Congress and the White House understand that a lingering and deep recession, combined with an annual and unprecedented \$5.6 billion payment to prefund retiree health benefits stacks the deck against the Postal Service, its customers and its employees. Moreover, failure to provide the Postal Service with indispensable access to retirement overpayments of \$55 billion to \$75 billion denies the government agency a means for continuing its public service mission. According to the Office of Inspector General, "burdensome and flawed benefit payments contributed almost 90% of the \$20 billion loss in the past 4 years."

NAPUS supports legislation to provide the U.S. Postal Service access to overpayments into the Civil Service Retirement and Disability Trust Fund.

The American public overwhelmingly supports our universal postal system, despite the growth of online social networking and the explosion of a digital infrastructure. The new avenues of communications should be viewed as postal-assisting technology, not postal-disruptive technology. Within the past year, the Pew Research Center for People and the Press found that the Postal Service was the highest rated federal agency, both in performance and in favorability. Moreover, according to the Pew data, even among Americans who are frustrated with the federal government, 71% rated Postal performance "excellent or good." A mere 7 months ago, the Ponemon Institute reported that 87% of Americans ranked the Postal Service the "most trusted" federal agency – it has been so ranked for the past 6 years.

Congress, the Administration, and the Postal Service should not weaken the agency's overwhelming public support. Postal dependent communities, particularly those located in rural areas and small towns, benefit immensely from their Post Offices. Moreover, Post Offices bolster community economies, which support jobs and small businesses. Therefore, it is no surprise that a recent Washington Post-ABC News Poll and Gallup Poll found that the American public overwhelmingly opposes closing Post Offices as a postal cost-cutting strategy. The Postal Regulatory Commission reported that closing all small Post Offices would yield a savings of a meager 0.7% of the Postal Service's operating budget.

NAPUS opposes legislation to change the current law that protects small town and rural Post Offices, or weakens public notification and community appeal rights.

Post Offices provide an underutilized access point for a wide variety of public services and offer untapped opportunities for private sector partnerships. Postal employees are trusted representatives of the government, and already verify identities for U.S. Passport applications and renewals, and transmit the documentation to the State Department. Post Offices are capable of providing identity verification, and

licensing and permitting services for all levels of government. In addition, the wide geographic presence of Post Offices offers private companies tremendous access, through the retail locations, to reach into every community in the nation they may desire. Consequently, the Postal Service can use governmental and private sector partnerships as revenue generators.

NAPUS supports legislation to enable Post Offices to offer a wider variety of products and services, including in partnership with other governmental institutions and the private sector.

Deficit Reduction Equity – Not on the Backs of Postmasters

NAPUS recognizes that the Federal government must contain its spending and reduce the national debt. The combination of a high budget deficit and exploding debt squeezes the financial future of the country. Nevertheless, it is crucial for Congress and the White House to understand that the Postal Service and its employees have not contributed to the economic situation confronting the nation, and that the Postal Service and its employees have already subsidized federal spending through a continuous stream of payments into the U.S. Treasury. In fact, the Postal Service has over-paid its obligations into the federal retirement system and substantially reduced its expenses by \$10 billion over the past three years. Moreover, the Federal retirement system is actuarially sound and is not contributing to the deficit.

NAPUS is deeply concerned about a number of conclusions reached by the co-chairmen of the President's Deficit Reduction Commission. (The Commission, as a whole, did not garner the necessary votes to make recommendations.) Among the chairmen's recommendations are:

- Federal annuities should be calculated using the highest five years of salary, rather than the highest 3 years.
- Employees should be required to contribute a higher percentage of their salary towards their FERS annuities.
- The CSRS cost-of-living-adjustment (COLA) would be deferred to age 62.
- Federal Employees Health Benefits Program (FEHBP) premiums would increase dramatically, by indexing the employee share to the general consumer price index, rather than the increased costs associated with FEHBP plans.

Congress may consider all or some of the chairmen's recommendations, within the context of the Congressional budget process. This process will stretch throughout the spring and into the summer.

NAPUS opposes legislation that would single out postal and federal employees and retirees to bear the unfair burden of deficit and debt reduction

Restoring Retirement Equity

Under current law, in years when there is no Social Security COLA, Medicare Part B premiums are frozen for Social Security recipients. However, CSRS annuitants are denied this premium protection.

NAPUS supports legislation to treat Medicare Part B premium for CSRS annuitants equitably.

The Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) reduce or eliminate Social Security benefits for CSRS annuitants who would otherwise be entitled to full Social Security benefits.

NAPUS supports legislation to eliminate or modify the GPO and WEP.

NAPUS Government Relations Department
Robert M. Levi, Director
Tel. 703-683-9027 • Fax 703-683-0923
blevi@napus.org