

Rep. Issa's Bill:

A Reckless Attack on Postal Services, Postal Employees

Rep. Darrell Issa (R-CA), the powerful chairman of the House Committee on Oversight and Government Reform, has introduced a bill, H.R. 2309, that is “a reckless assault on postal workers and the Postal Service,” said APWU President Cliff Guffey.

“The bill would drastically reduce service to the American people by establishing a commission that would order \$1 billion worth of post office closures in the first year and \$1 billion worth of facility closures in the second year,” he said.

“Incredibly, it fails to address the main cause of the Postal Service’s financial difficulties – the unique mandate that requires the USPS to pre-fund the healthcare benefits of future retirees, at a cost of more than \$5.5 billion per year,” Guffey said.

“It also completely ignores the fact that the USPS has massive surpluses in its pension accounts,” the union president noted. “The overpayments could and should be used to resolve the Postal Service’s cash crisis.”

Direct Attack on Workers

“The bill is a direct attack on the hard-working men and women who sort and distribute the nation’s mail,” Guffey said.

It would create a “solvency authority” with the power to unilaterally modify collective bargaining agreements any time the USPS defaults on “any obligation to the federal government for more than 30 days.”

“The solvency board would be empowered to cut wages, abolish benefits, and end our protection against layoffs,” he said.

In addition, at the expiration of the current collective bargaining agreements, the bill would increase employees’ costs for healthcare coverage and life insurance, and eliminate the right to bargain over these benefits. It also would allow the USPS to end Saturday delivery.

Propagating a Falsehood

“Rep. Issa insists that the legislation is designed to avoid a ‘bailout,’ but nothing could be further from the truth,” Guffey said.

“In fact, the federal government is holding billions of dollars of excess postal payments to FERS and CSRS.” (The USPS has a surplus of \$6.9 billion in its Federal Employee Retirement System account, and, according to two independent actuarial studies, has overpaid the Civil Service Retirement System account by \$50 billion to \$75 billion.)

“The Postal Service does not rely on taxpayer funding,” he noted, “and doesn’t need a bailout.”

“The board would be empowered to unilaterally cut wages, abolish benefits, and end protection against layoffs.”

– APWU President Cliff Guffey

Act Now

“We are continuing to analyze details of the bill,” said Legislative and Political Director Myke Reid. “We are working with legislators and their staffs, as well as with other unions and postal organizations, and will provide additional information as events warrant.”

“In the meantime, union members must make it clear to their U.S. representatives that we adamantly oppose this bill.

“We must let them know that we support an alternate bill, H.R. 1351, which would address the cause of the USPS financial crisis without slashing service and without eliminating collective bargaining rights,” he said.

H.R. 1351, which was introduced by Rep. Stephen Lynch (D-MA) on April 4, would correct the overfunding of the pension accounts, and would allow the cash-strapped agency to use the pension surplus to meet its retiree health benefits pre-funding obligation.

“H.R. 1351 would restore financial stability to the Postal Service,” Guffey said, “without putting any burden on American taxpayers.”

For more information, visit www.apwu.org.