

House Panel Approves Postal ‘Destruction’ Bill

Amendment Prohibits Bargaining to Limit Layoffs

Union Vows Fight to Save America’s Postal Service

The House Committee on Oversight and Government Reform approved an amended version of the Issa-Ross postal bill on Oct. 13 by a vote of 22-18. All but one Republican (Rep. Todd Platts of Pennsylvania) voted in favor of the bill; Democrats voted against it.

The APWU has denounced the bill, H.R. 2309, as a “reckless assault on postal services and postal employees.” The bill demands that the USPS implement \$3 billion worth of cuts in post offices and mail processing facilities in a two-year period. It also would reduce “door delivery” by 75 percent.

In addition, the legislation would gut collective bargaining: An amendment adopted by the committee prohibits postal unions and the USPS from negotiating protection against layoffs.

Bill Guarantees Layoffs

The Postal Service announced in August that it wants to reduce the workforce by 220,000, and is seeking authority to lay off as many as 120,000, including tens of thousands of military veterans. H.R. 2309 would authorize layoffs; the wholesale elimination of post offices and mail processing facilities demanded by the legislation virtually guarantees that massive layoffs would take place.

The bill also would empower a new “solvency authority” to unilaterally cut wages and abolish benefits.

“This legislation would destroy the Postal Service as we know it,” President Cliff Guffey said. “It would lead to drastic cuts in service to the American people, and it would pave the way for privatization of this crucial public service.

“The bill violates fundamental principles of our nation: fairness, the right of workers to engage in free collective bargaining, and respect for seniority,” he said.

“The APWU will continue the fight to save America’s Postal Service,” Guffey said. “We will be joined by our

brothers and sisters in the other postal unions, veterans, senior citizens, and communities that rely on a robust Postal Service.”

Other Amendments

In addition to the amendment that would prevent bargaining over layoffs, several other amendments were adopted: An amendment offered by Rep. Dennis Ross (R-FL) would remove postal employees from the federal injury compensation program and would require the USPS to develop a separate program for workers who are hurt on the job. It also would force disabled employees to retire as soon as they are eligible.

An amendment offered by Rep. Jason Chaffetz (R-UT) would permit the Postal Service to eliminate up to 12 delivery days per year rather than requiring an immediate abandonment of Saturday delivery. An amendment offered by Rep. Ann Marie Buerkle (R-NY) would limit to 10 percent the number of rural post office closures.

An amendment offered by Rep. Bruce Braley (D-IA) to evaluate the impact of layoffs on veterans was adopted. The amendment was introduced in response to an ad sponsored by postal unions and *VoteVets*, a prominent veterans’ organization, decrying the layoffs of tens of thousands of veterans that H.R. 2309 would cause. The

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The Postal Service Hires More Veterans Than Any Other Civilian Employer



Some in Congress Want to Fire Them

The Postal Service puts more veterans to work than any other civilian employer. But the Issa-Ross Bill (H.R. 2309), which the House Oversight and Government Reform Committee is expected to vote on this week, would force the USPS to fire employees—including tens of thousands of veterans. That’s American vets fired in the worst economy in decades.

Putting tens of thousands of America’s veterans out of work won’t fix the Postal Service. Congress talks a lot about patriotism, but there’s nothing patriotic about destroying the USPS, devastating mail service, and telling our veterans they’re not wanted.

TELL CONGRESS TO DELIVER FOR OUR VETERANS—AND AMERICA.



This ad appeared on Oct. 12 and 13 in publications that are widely read by lawmakers.

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“Two of the adopted amendments were clearly regressive,” said APWU Legislative and Political Director Myke Reid, referring to the prohibition on negotiating limits on layoffs and removing postal employees from the federal injury compensation program. “Some of the others may appear to improve the bill,” but they just “nibble around the edges” without changing its basic character, he said.

“If passed, H.R. 2309 would be a disaster for the USPS and for postal employees.” The bill must be passed by the full House and Senate and signed by President Obama before it can become law, he pointed out.

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Cliff Guffey, APWU President

“H.R. 2309 fails to address the fundamental cause of the Postal Service’s financial difficulties,” Reid added. The bill does nothing to correct the requirement to pre-fund the healthcare benefits of future retirees which forces the USPS to fund a 75-year liability in just 10 years, he said. No other government agency or private business is required to make these payments, which cost the Postal Service approximately \$5.5 billion annually. The bill also fails to address billions of dollars in USPS overpayments to federal pension accounts, Reid noted.

GAO Report as a Backdrop

An Oct. 13 report by the Government Accountability Office (GAO) that rejected the findings of the USPS Office of Inspector General (OIG) and the Postal Regulatory Commission (PRC) regarding USPS overpayments to the Civil Service Retirement System served as a backdrop to the deliberations. Two independent actuarial studies performed at the request of the OIG and PRC concluded that the USPS has overpaid \$50 billion to \$75 billion into the account, due to a faulty funding formula.

The OIG and PRC provided a vigorous rebuttal to the GAO report, and Rep. Stephen Lynch (D-MA) called it “terribly flawed.” Nonetheless, at the hearing, Rep. Buerkle and Rep. Pat Meehan (R-PA) cited the GAO findings and voiced reservations about their previous support for H.R. 1351, the bill postal unions are supporting.

The APWU issued a statement denouncing the GAO report, calling it “seriously flawed.”

“Fortunately, there are many in Congress who reject this discredited report and will continue to tell the truth about the need for reform and fairness on this issue,” the union said.

“The report was clearly designed to undermine support for H.R. 1351,” Reid said, “so APWU members will have to make sure members of Congress remain steadfast in their support for this important legislation.”

H.R. 1351 would help provide the Postal Service financial stability by allowing the Postal Service to apply the pension overpayments to the pre-funding obligation. It would provide the USPS with financial stability it needs to modernize and adapt to changes in communication.

The bill, introduced by Rep. Stephen Lynch (D-MA), has 226 co-sponsors – including 29 Republicans. The number of co-sponsors is significant because it represents a majority of the members of the House of Representatives; nonetheless, Rep. Issa has refused to allow it to come up for a vote.

“I am deeply disappointed that Rep. Issa would thwart the will of the majority and prevent Congress from debating a bill that has wide bipartisan support,” Guffey said. “But he will not be able to stop the American people for long!”

For more information, visit www.apwu.org.

