## Bipartisan legislation introduced to repeal USPS pre-funding mandate

On April 28, Reps. Peter DeFazio (D-OR), Tom Reed (R-NY), Xochitl Torres Small (D-NM), and Brian Fitzpatrick (R-PA) introduced the USPS Fairness Act (H.R. 2382) which would repeal the mandate that USPS “pre-fund” decades’ worth of health benefits for its future retirees, enacted through the Postal Accountability and Enhancement Act (PAEA) of 2006.

As letter carriers know, the pre-funding mandate has cost an average of $5.4 billion annually since 2007 and is responsible for 92 percent of USPS losses over the last twelve years, and 100 percent of losses over the past six years. Were this burden not imposed, USPS would have recorded surpluses of nearly $4.0 billion since 2013.

Instead, the mandate has prevented the Postal Service from properly investing in its networks and infrastructure since it was enacted and even worse, the resulting financial losses are still used to both threaten core services that Americans rely on -- such as door-to-door service, six-day delivery, and convenient post office hours – and to advance proposals to privatize the Postal Service and attack the jobs and rights of America’s postal employees.

As the heart of a $1.4 trillion mailing industry that employs 7.5 million Americans, the Postal Service links more than 159 million American households and businesses to each other seven days a week. It is essential to our nation’s voting systems and to multiple industries, communities and populations, including e-commerce; prescription drugs; the nation’s paper, publishing, and advertising businesses; and to millions of small businesses and tens of millions of citizens in rural, suburban, and urban communities across the country.

“NALC applauds Reps. DeFazio, Reed, Torres Small, and Fitzpatrick for introducing this bipartisan legislation as a crucial first step toward bringing financial stability to the most trusted and highest-rated agency in the federal government,” said NALC President Fredric Rolando. “The USPS is a national treasure and an essential part of the nation’s economic infrastructure. Congress caused this crisis when it passed the PAEA in 2006 and Congress can begin to fix it by passing the USPS Fairness Act.”

Should this legislation progress through the House and Senate, and then be signed into law, it will significantly improve the financial situation at the Postal Service. NALC is committed to working with Congress on any and all options that can bring financial stability to this agency so that it can then focus on much needed improvements to its networks and infrastructure (i.e. fleet replacement), as well as developing new and existing products and services.