

Congress rejects Saturday delivery cut; unfair pension targets remain

On Dec. 10, the leaders of the House and Senate budget committees ended weeks of letter carrier concern and speculation when they announced a plan to fund the federal government through Fiscal Year 2014 that did not include the elimination of Saturday mail delivery.

“Thanks to the thousands of dedicated letter carriers, citizens and small-business owners who raised their voices in opposition to this misguided proposal to slash delivery service,” NALC President Fredric Rolando said, “Congress will not unwisely weaken the Postal Service or undermine our last-mile delivery network.”

A proposed budget passed by the House in March 2013 had included language that called for an end to Saturday delivery. Rumors had circulated that House Budget Committee Chairman Rep. Paul Ryan (R-WI) would try to include language in December’s budget proposal text calling for elimination of Saturday mail, which both Ryan and Postmaster General Patrick Donahoe have claimed would result in \$2 billion in annual savings.

“The Postal Service hasn’t taken a dime in taxpayer money in more than three decades,” Rolando explained—“postal operations are paid for by the sale of postage and postal products. Congress has no business using service to reduce the budget.” Because letter carriers and other postal workers are federal employees, our benefits show up on government budget ledgers. This reality provides the rationale for Ryan and his fellow anti-government and anti-union friends in Washington to call for a Saturday mail cut.

Cutting a day of delivery makes no sense, Rolando said, especially in light

of recent mail service expansions that include Sunday and same-day package delivery. “Eliminating a day of delivery would jeopardize the Postal Service’s economic recovery and threaten tens of thousands of good-paying middle-class postal jobs,” he said.

‘Gang of two’

Creation of a special joint House-Senate budget committee to hammer out a deal that both houses of Congress—and both parties—could agree on was part of the settlement that ended the 16-day government shutdown in October.

“The so-called committee, though, was more like a ‘gang of two,’” Rolando quipped, “with Ryan and [Senate Budget Committee Chairman Patty] Murray the only two people in the room, conducting meetings in secret.”

Not surprisingly, this clandestine arrangement led to lots of rumor-mongering, the president said. “One minute, we would hear from a source on Capitol Hill that Saturday delivery wasn’t part of the deal, and then five minutes later, a reporter on TV would say that he had heard it was.”

The union’s lobbyists proved crucial in separating fact from rumor during the proceedings, Rolando said, providing a powerful demonstration of the importance of giving to our political action fund, the Committee on Letter Carrier Political Education (COLCPE). (Note: Next month’s magazine will be our annual



Rep. Paul Ryan and Sen. Patty Murray

special tribute to the union’s COLCPE contributors.)

A separate complication became apparent once the budget was finally revealed: a requirement that federal and postal employees hired after Dec. 31, 2013, contribute 4.4 percent of their basic pay for Federal Employees Retirement System (FERS) pension benefits, 1.3 percent above the 3.1 percent contribution rate for federal employees hired after 2011 and 3.6 percent above those hired before 2012. Worse, benefits under this plan will not be raised in return for the higher contributions, since agency contributions will be reduced by 1.3 percent.

“Once again, Congress has singled out federal and postal employees for deficit reduction, even though our community has been repeatedly targeted in the past and we have contributed more than our fair share,” Rolando said. “We now have an irrational three-tier pension system for FERS employees, where different groups of employees will pay different amounts in payroll contributions, yet receive the same level of benefits. That’s totally unacceptable.”

Activating the activists

In the days leading up to the Dec. 10 budget announcement, NALC sprang into action to let Congress know that proposals to cut Saturday delivery and raise pension contributions would be unacceptable:

- > A toll-free phone line was set up to connect letter carriers directly with their representatives in the House.
- > The NALC e-Activist Network was used to deliver thousands of messages to these House members.
- > President Rolando sent a letter to House Minority Leader Nancy Pelosi (D-CA) and other House leaders.
- > Key NALC leaders at the regional, state and branch levels, led by the union's legislative and political staff members, discussed strategy via teleconferences and pressed their senators to lobby Murray on our behalf.

Which contact method proved most successful? "All of the above," Rolando said. "I have no doubt that taking advantage of every single channel at our disposal remains crucial in making sure our message gets delivered.

"Although we are disappointed that another increase in pension contributions remains on the table," the president said, "we will not let up in joining our brothers and sisters in the entire federal workforce to oppose this outrageous effort to balance the budget on the backs of federal workers.

"I urge members who didn't do their part this time to do so next time—and believe me, with the fight over postal reform just starting, there will be a next time," Rolando said.

Senate agenda

The House approved the Ryan-Murray budget on Dec. 12 before it adjourned for

the year. The measure was then handed off to the Senate, which was set to hold its own vote after this edition of *The Postal Record* went to press.

The upper chamber was on track to end its work year five days before Christmas. But in the week leading up to that break, the Senate committee with postal oversight was once again planning to hold a mark-up of S. 1486, the postal bill jointly introduced last summer by Senate Homeland Security and Government Affairs Chairman Tom Carper (D-DE) and ranking member Tom Coburn (R-OK).

This fourth try at a mark-up session was scheduled for after this magazine went to press; the first three meetings were canceled after it became clear that some key Democrats on the committee, including Sens. Jon Tester (D-MT) and Claire McCaskill (D-MO), had serious reservations about portions of the bill. (See the November 2013 *Postal Record*.) It was uncertain at press time whether senators' concerns had yet been resolved to their satisfaction.

NALC opposes S. 1486 bill as introduced because it calls for the slow dismantling of the Postal Service's invaluable retail, mail processing and last-mile delivery networks crucial for the booming e-commerce sector, while maintaining the misguided mandate to pre-fund retiree health benefit costs decades in advance.

Visit the NALC's website and social media channels for the latest updates, and check out the "President's Message" in the December issue of *The Postal Record* to find out what a revised Senate postal bill must include to win NALC's support.

In the news media

President Rolando was quoted in most news stories about the Postal Service's Fiscal Year 2013 financial report,

which was released on Nov. 14 and showed that USPS made \$600 million in profit delivering the mail in FY2013. His reaction played a prominent role in coverage by *The New York Times*, *The Washington Post*, CNN, *Bloomberg Businessweek*, Reuters, The Associated Press and *The Hill*.

Rolando also was quoted in *The Hill* for a Nov. 26 story about the ongoing budget talks on Capitol Hill. *The Hill* fixed the story after NALC pointed out that the president's remarks had been mischaracterized in the original version.

The Washington Post quoted the president in its continued coverage of the deadly shooting on Nov. 23 of 26-year-old Maryland letter carrier Tyson Barnette (see story on page 4).

Idaho State Association President John Paige had a letter to the editor published Nov. 20 in the *Coeur D'Alene Press*. Des Moines, IA Branch 352 member Mark Fallis' letter to the editor of *The Des Moines Register* ran Dec. 2.

On Dec. 4, Indiana State Association President John Triplett explained the pre-funding fiasco to viewers of CBS affiliate WTHI-TV in Terre Haute.

Los Angeles Times columnist Michael Hiltzik on Nov. 18 explored some possible reasons behind congressional hostility toward the Postal Service.

In a Nov. 25 post to the Yahoo! finance blog "The Exchange," writer Rick Newman expressed his delight in receiving a package on a Sunday. He correctly highlighted the fact that letter carriers deliver to every address in America, and argued that the Postal Service's real problem is "its 535-person board of directors"—Congress.

A concerned citizen's Dec. 2 letter to the editor of the *Akron Beacon-Journal* effectively explained pre-funding. **PR**