

## **Latest Effort to Overhaul the Postal Service Hits New Snag**

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April 30, 2019

Lawmakers voiced frustration on Tuesday with U.S. Postal Service leadership for holding up a sweeping reform they have failed to pass for nearly a decade, blaming a lack of legislative progress on the agency's inability to provide a business plan to Congress.

Members of both major political parties raised familiar issues they view as detrimental to the cash-strapped Postal Service's finances and their preferred path forward: requiring all USPS retirees to enroll in Medicare while reamortizing existing liabilities for their health care, adjusting the pricing structure for the mailing agency's services and allowing USPS to dabble in new lines of business. While lawmakers reiterated their support for the main tenets of stalled postal reform, they expressed new frustrations that are hindering legislative action.

Those frustrations came to a head during questioning from Rep. Mark Meadows, R-N.C., who cosponsored a reform bill last Congress and helped usher it through the House Oversight and Reform Committee without any opposition. At a hearing in front of the same panel on Tuesday, Meadows berated Postmaster General Megan Brennan for failing to deliver a 10-year business plan to lawmakers to spell out the agency's long-term plan for fiscal solvency. USPS has lost an average of billions of dollars annually over the last dozen years while defaulting on billions more in required payments toward future liabilities.

Meadows told Brennan he felt "conflicted" after convincing his colleagues to support postal reform last Congress, when the postmaster general failed to meet her self-imposed deadline for delivering the plan.

"You've taken an advocate and turned me into someone that questions whether I can trust what you tell this committee and what you tell me," Meadows said.

Brennan said she was working with the Postal Service's board of governors to finalize the plan, but promised it in the coming months. Democratic leaders of the committee, including Chairman Rep. Elijah Cummings, D-Md., and Rep. Gerry Connolly, D-Va., echoed Meadows's concerns and vowed to support his efforts to secure the document. Connolly called his Republican colleague an important ally on postal issues who remains a key to advancing any legislation. Cummings said he would impose a new deadline for the business plan of early July, a request that Brennan called reasonable.

Still, the postmaster general criticized lawmakers for failing to take the actions that virtually all stakeholders agreed were necessary.

“This committee can act now on key provisions,” Brennan said, to give the Postal Service “some runway to try to build consensus for a plan that will address” long-term needs. Several lawmakers said they must first receive guarantees USPS will not have to return to Congress for renewed action in a matter of years.

Brennan conceded the plan will include a proposal to reduce mail delivery to five days per week, rather than the current six-day requirement. Meadows told the postmaster general to “quit wasting our time,” noting Congress has repeatedly blocked any effort to cut delivery frequency.

“We’ve had a conversation about the political reality of that proposal,” Brennan said of her talks with the agency’s board, but said its forthcoming long-term plan must make all efforts to cut costs.

Aside from support for privatization of the Postal Service from a couple members of the committee and one witness—Chris Edwards of the libertarian-leaning Cato Institute—much of the hearing reflected the same talking points that lawmakers have discussed for years. Cummings noted the repetitive nature of the hearing, saying there is “no issue I’ve been in more meetings” about than the Postal Service.

“Amen to that!” Meadows interjected.

While lawmakers won buy-in from groups ranging from large-scale mailers to labor unions on their last iteration of postal reform, it failed to ever come up for a vote on the House floor. Still, Cummings expressed optimism a new bill would clear the chamber in 2019. Brennan attempted to signal the urgency of action by noting her agency would run out of cash by 2020 if it made all of its required payments this year.

President Trump has voiced an interest in postal reform, signing an executive order last year to create a task force to make recommendations to put the agency on stronger financial footing. Committee members and postal management at the hearing largely expressed support for the only for suggestions in that report that all sides had already agreed were necessary.

Even after USPS delivers its promised business plan, there is no guarantee a reform bill will again win universal support. Some groups, such as the National Active and Retired Federal Employees Association, have criticized efforts to require all postal retirees to enroll in Medicare, calling it unfair for the roughly 25 percent of ex-employees who currently decline to do so. Some lawmakers said they must first see the plan before making any pledge of support.

“I’m looking forward to analyzing it and moving forward from there,” said Rep. Jim Jordan, R-Ohio, the top Republican on the panel.