

Senators Introduce Postal Legislation

Union: Short-Term Relief, Long-Term Damage

The 21st Century Postal Service Act, introduced by four senators on Nov. 2, provides short-term financial relief, but also would inflict long-term damage to the nation's mail system, President Cliff Guffey said.

"The bill will force the USPS to dismantle its network and impose severe cuts in service to the American people. This will drive away customers and weaken the Postal Service," he said.

"By failing to provide more substantial financial relief, S. 1789 will harm the USPS and its customers," the union president said. Although the bill would return overpayments the USPS made to the Federal Employees Retirement System (FERS), it would not return overpayments to the Civil Service Retirement System (CSRS). Two independent actuarial studies concluded that the USPS has overpaid the CSRS account by \$50 billion to \$75 billion, but that conclusion is in dispute.

Guffey said it is crucial that APWU members remain vigilant and actively involved in legislative affairs. Several bills have been introduced in Congress, he noted, and varying proposals are being presented to the congressional super-committee that is charged with reducing the nation's deficit. "We must make our voices heard as the debate over the future of the Postal Service develops," he said.

The bill was sponsored by Sens. Joseph I. Lieberman (I-CT), Susan Collins (R-ME), Thomas Carper (D-DE) and Scott Brown (R-MA). It would:

- Return to the USPS approximately \$7 billion in overpayments the agency made to the Federal Employees Retirement System (FERS). A portion of the returned FERS funds could be used to offer incentives of up to \$25,000 to as many as 100,000 employees to retiree over the next three years.
- Provide relief from the obligation to pre-fund healthcare benefits for future retirees by immediately re-amortizing the payments over a 40-year period. (Current law requires the USPS to make the payments in 10 years.) It also would reduce the pre-funding level from 100 percent to 80 percent.
- Require arbitrators in postal labor negotiations to consider the financial health of the USPS and to compare postal wages and benefits to those of federal employees.
- Authorize the Postal Service to enter into negotiations with the unions to develop a USPS healthcare plan inside or outside of the Federal Employee Health Benefits Program (FEHBP).
- Require the Postal Service to complete a study prior to the closure of a processing facility. The study would evaluate the option of downsizing rather than closing the facility. The bill would also establish a public comment opportunity and require a response to those comments from the Postal Service as well as documentation that important factors have been considered prior to closure.
- Continue Saturday mail delivery for at least two years.
- Require the Postal Service, where feasible, to deliver to curbside, sidewalk or centralized mailboxes, rather than to door delivery points, no later than 2015.
- Change workers compensation rules for injured postal and federal employees to "transition" workers who are above retirement age into pensions.
- Require Medicare-eligible retirees to enroll in Medicare Parts A and B and require the Postal Service to develop Medigap-like plans that offer comparable benefits within the Federal Employee Health Benefits Program for retirees and their dependents.

The bill does not include several of the most odious provisions of a bill pending in the House (H.R. 2309). It would not create a commission to decide facility closures; nor would it establish a "solvency authority" with the power to change provisions of collective bargaining agreements, or override collective bargaining agreements.

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