

Statement for the Record by Jonathan Smith, President, American Postal Workers Union

On behalf of the 200,000 members of the American Postal Workers Union, I submit this statement for the record of the Committee's March 17 hearing "Oversight of the U.S. Postal Service: The Financial Future under Postmaster General Steiner."

The APWU appreciates the work of the subcommittee to examine the Postal Service's financial condition and its work to strengthen a vital American institution.

There is little doubt that the United States Postal Service is at a critical moment in its storied history. While the *Postal Service Reform Act*, passed in 2022, offered the Postal Service long-overdue balance sheet relief from onerous requirements of previous legislation, the Postal Service continues to face financial difficulties.

The APWU is committed to working with the Postal Service, Congress, and others in the postal community to help ensure the financial stability of this public institution for generations to come.

Failing to do so would mean losing a bedrock of American life. The public Postal Service represents a promise our country has made each generation - that no matter who you are or where you live, you are a part of us. The American people deserve a basic, affordable, public service. They deserve a level playing field - to communicate, conduct business, and engage in the civic life of the country.

Some may use this hearing, and corresponding headlines about the Postal Service's financial difficulties as an opportunity to advance dramatic changes to the Postal Service. The APWU cautions Congress to reject efforts to reshape the Postal Service into something other than what it was designed to be - a public, universal service available to all. The Postal Service has for decades been an example of the best of government - a trusted face, a model employer, an anchor of community. With a few common sense solutions, and a dose of fresh thinking about the USPS's role in American life, it can continue to play its vital role for generations to come.

Indeed, there are several ways to shore up USPS finances that do not sacrifice the universal service obligation or the jobs of 600,000 postal workers.

Congress can allow the USPS to invest its retirement and health benefit funds in stocks and bonds, not just low-yield Treasuries. Following practices already in place in the TVA, Amtrak, or the National Railroad Retirement Investment Trust, would allow the Postal Service's vast retirement funds to earn greater returns, expand the lifespan of the funds, and save USPS billions a year.

Likewise, addressing the unfair allocation of Civil Service liability would generate significant savings as it rights a decades-old wrong.

In addition to these common-sense savings measures, the USPS could do more to generate additional revenue. The bipartisan Postal Service Reform Act of 2022 allows USPS to develop agreements with state, local, or tribal governments to provide certain “non-postal” products and services. With its more than 30,000 post offices, USPS has the infrastructure to make a range of services more accessible to the public, all while increasing revenue.

These sorts of common-sense reforms are vital to allow the Postal Service to meet its dual mission of financial viability and universal service. Failure to act would ensure more of what we’ve seen too much of in the past few years: slower and less reliable service as postal management seeks any measure to address the financial difficulties they face.

While the financial situation of the Postal Service is indeed precarious, we believe there is broad consensus around a few solutions that would allow the USPS the necessary breathing room to adapt to the changing technological and commercial realities of the day. The APWU is committed to working with postal management to improve service performance, reverse slowing service standards, and to ensure our work is as essential and vital to the country’s future as it has been for more than 250 years. The American Postal Workers Union is ready to work with Congress to enact meaningful change, and ready to fight back against efforts that would compromise the sanctity and security of the mail or jeopardize the public mission of the Postal Service and its dedicated workers.