

**The Honorable Mike Quigley
Committee on Appropriations
Subcommittee on Financial Services and General Government**

Hearing on Oversight of the U.S. Postal Service

Opening Statement

2:00PM | March 11, 2021

I'll keep my opening statement brief, so we can leave ample time for questions.

This morning we welcome the 75th Postmaster General of the United States, Louis DeJoy.

Appointed by the Board of Governors of the Postal Service, he started his tenure as Postmaster General in June 2020.

Mr. DeJoy, thank you for being here today.

It has been awhile (nearly 20 years) since the United States Postal Service has testified before this Committee.

However, this hearing could not come at a more important time. Given the vital role of the USPS during the pandemic and the recent funds that FSGG provided in the stimulus packages last year.

By delivering food, medicine, personal protective equipment, and other essential equipment during the pandemic, the Postal Service has literally saved lives by helping Americans maintain social distance, limiting the spread of COVID-19, and allowing people to vote safely.

It also facilitated online shopping, providing an economic lifeline to many struggling businesses and laid-off workers.

It also did what other companies cannot or will not do—deliver to every address in the country, and accept every package people want to send.

But this has come at a heavy price, tens of thousands of postal workers have had to quarantine due to potential COVID exposure, and tragically, nearly 200 have died.

In addition, the postal network has struggled with the massive increase in package volume, leading to delays and slowdowns.

This winter we saw a holiday delivery season that was quite frankly disastrous. Every Member in this room has heard again and again from their constituents about important mail that took months to be delivered—disruptions that are continuing even now.

Congress quickly recognized the importance of the Postal Service for managing the pandemic, and took swift action to ensure it had the resources it needed to protect its workers.

We provided \$10 billion in new loan authority in the CARES Act, which we eventually converted to a grant. We look forward today to learning more about how the Postal Service is using that funding.

Unfortunately, I also must point out that not all the Postal Service's challenges are due to COVID. Questionable management decisions have also played a role.

In summer, just days into the job, Mr. DeJoy, you implemented a series of sweeping organizational and delivery changes before even assessing the potential impacts on mail service. Those changes were also communicated poorly and implemented inconsistently. That led to a

severe degradation in delivery times that took months—and several lawsuits—to undo.

It's also unclear why the USPS didn't take more steps to prepare for the predictable surge in holiday mail.

And I'm concerned with what I've heard about the forthcoming USPS strategic plan. That USPS is going to essentially give up on existing service standards, and instead is planning to provide slower first-class mail service while charging higher prices.

While the Postal Service's issues started long before the pandemic, COVID provides an opportunity to reflect on the status of the institution and lessons learned about how the postal network performs when stressed.

I look forward to exploring how we can ensure our hardworking frontline postal workers get vaccinated and whether this surge in package volume represents the new normal that merits a new approach to network planning.

Most importantly, I want to work with you to find solutions. It is imperative we work towards restoring postal morale, effectiveness, and reliability.

I want to be helpful, we need to hear from you on what your needs are and if there is a role Congress can play by making upfront investments now that will save the Postal Service money in the long run while improving its financial status and reliability.

Mr. Dejoy, I look forward to discussing these and other important issues today.