

“Legislative Proposals to Put the Postal Service on Sustainable Financial Footing”

House Committee on Oversight and Reform

10:00 AM, Thursday, February 24, 2021

Virtual Hearing

Rep. Gerald E. Connolly (D-VA)

I want to thank the Chairwoman for her continued commitment to addressing the financial and operational challenges of the U.S. Postal Service — and for focusing on the long-term success of the Service at one of her first hearings in the 117th Congress. I am committed to working with the Chairwoman to get a bill through this Congress that addresses the longstanding and pressing challenges that plague the Postal Service and prevent it from achieving financial health.

Exactly seven months ago today, we had a hearing with Mr. DeJoy sitting before us as we attempted to untangle his ill-conceived operational changes at the Postal Service. As I noted at that hearing in August, the Postal Service has been a critical lynchpin of the American fabric since 1775. It employs 650,000 people and is the foundation for a more than \$1.7 trillion mailing industry that employs more than 7.5 million people.¹

This hearing today serves to inform Congress of the reforms needed to return the Postal Service to financial health. These efforts are not new, and certainly not new to me. I was elected to Congress shortly after enactment of the Postal Accountability and Enhancement Act in December 2006. The bill sought to “modernize” the postal service and make it “healthy and affordable,” according to the floor speech of my predecessor Tom Davis, offered in support of the postal reform bill on the floor of the House in 2006. With that bill, Members began the novel requirement for the Postal Service to pre-pay its retiree health benefit funds, thereby sowing into the Postal Service operations processes and requirements that prevent the service from achieving financial success.

I have been working for 12 years, since I entered Congress, to build broad coalitions of multifarious stakeholders who rely on the postal service for their businesses and nonprofits — and for veterans who get their prescription medications through the mail, the rural Americans who rely on package delivery to make it through the pandemic, and the individuals who pay their bills through the mail.

In the 115th Congress, I worked with my friend, the former Chairman of this Committee Elijah Cummings, to build a delicate coalition of stakeholders — some diametrically opposed to the others — to come together and support a reform bill that not everyone loved, but they all supported. We have done this before and we can do it again. Reform is in reach. It just takes a lot of work and deliberation. And I’m ready.

The challenges to success are great. I know I’m not the only one on this dais getting flooded with calls from constituents who are still not getting their mail and packages on time. I have calls from grandmas heartbroken that their grandchildren are just now getting their holiday

¹ U.S. Postal Service, *Sizing It Up* (online at <https://facts.usps.com/size-and-scope>).

presents delivered. I have families getting charged fees because their bill payments are arriving weeks late. It's no longer funny to say "the check's in the mail."

Earlier this month, I sent a letter to the Postal Service about the skyrocketing number of COVID-19 infections and deaths among the brave frontline postal employees serving this nation every day. In early February, more than 16,000 employees were under quarantine restrictions. The Postal Service itself reported that by December 14,000 employees had contracted COVID-19 and 119 members of its staff had died. We don't know how many have contracted the virus or died since then because the Postal Service refuses to provide such data publicly, following the lead of numerous other federal agencies. But that is one step in the right direction after a series of catastrophic decisions made by Postal Service leadership over the past year.

It was particularly unhelpful when the man handpicked by the Board of Governors to serve as the Postmaster General (PMG) implemented significant operational changes without stopping to investigate or test them. He took this action in the midst of the pandemic, when the Postal Service was literally a lifeline for millions of families — particularly older Americans or those in rural and remote areas. The move plummeted the Postal Service into a death spiral of historically low service standards performance. We are now working to clean up that mess and find a viable path forward for our nation's most trusted federal agency.

Mr. DeJoy, you have recklessly cut hours and delayed delivery times in the pursuit of unsupported "operational efficiencies." But you are hardly it's only problem. You sit beside one of the six Trump appointed Board members who put you in a position to make these poor decisions.

Mr. Bloom, as the Chairman of the Board of Governors you "exercise the power of the Postal Service," according to federal law. And despite a series of blundering, half-baked initiatives and evidence that the PMG attempted to influence an election on behalf of his friends in the Trump Administration, you have remained silent. You have failed to hold the PMG accountable for record low performance and operational standards that have crippled the Postal Service.

Not all of these challenges lay at Mr. DeJoy's feet. There's enough blame to go around.

So where do we go from here? We have a PMG whose leadership and decisionmaking cannot be trusted, and we have a Board of Governors too meek or too aligned with the previous Administration to hold him accountable.

Luckily, we have a President now who cares about the Postal Service. In his campaign he made the the Postal Service is a priority. We have a president who won't use this nation's lifeline as a weapon in a proxy war against his imagined foe Jeff Bezos and his Amazon empire. Mr. Biden sees the Postal Service for the connective fabric that it is and he's ready to take steps to save it.

I'm prepared to meet this moment. Congress cannot afford to miss it.