

WAITING ON THE MAIL: POSTAL SERVICE
STANDARD DROPS IN CHICAGO AND THE
SURROUNDING AREA

HEARING

BEFORE THE
SUBCOMMITTEE ON GOVERNMENT OPERATIONS
OF THE
COMMITTEE ON OVERSIGHT AND
REFORM

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- * Postal Service Office of Inspector General Report; submitted by Rep. Rush.
- * Reports regarding audit on mail delivering and customer service; operational changes to mail delivery; nationwide service performance; and service performance first-class single piece letter mail; submitted by Chairman Connolly and Rep. Rush.
- * Comments regarding individuals' concerns of Debra Silverstein, two alderman, and Maria Haddon; submitted by Rep. Schakowsky.
- * Statements for the record from the National Newspaper Association; submitted by Rep. Connolly.
- * Letters regarding constituent concerns; submitted by Rep. Davis.
- * Questions for the Record: to Morgan-USPS; submitted by Chairman Connolly.
- * Questions for the Record: to Perez-USPS; submitted by Chairman Connolly.

The documents are available at: docs.house.gov.

WAITING ON THE MAIL: POSTAL SERVICE STANDARD DROPS IN CHICAGO AND THE SURROUNDING AREA

Friday, October 15, 2021

HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND REFORM
SUBCOMMITTEE ON GOVERNMENT OPERATIONS
Washington, D.C.

The subcommittee met, pursuant to notice, at 11:04 a.m. C.T., in Everett McKinley Dirksen U.S. Courthouse, 219 South Dearborn Street, Chicago, Illinois, and via Zoom. The Hon. Gerald E. Connolly (chairman of the subcommittee) presiding.

Present: Representatives Connolly, Davis, Lawrence, Khanna, Porter, Krishnamoorthi, Kelly, Quigley, Rush, Schakowsky, Foster, Schneider, Casten, Garcia, Underwood, Newman, Maloney (ex officio), and Keller.

Also present: Senator Durbin.

Mr. CONNOLLY. The Postal Service serves every household and business across this Nation every day, or at least it is supposed to. It employs 630,000 individuals who live in every single congressional district. According to Pew Research, 91 percent of Americans have a favorable view of the Postal Service, making it the most beloved and popular Federal agency.

During the coronavirus pandemic, the Postal Service's value to this Nation has proven greater than ever. A June 2020 Harris Poll found that the Postal Service ranked as the, quote, "single most essential company to Americans during the pandemic," end quote, outranking companies that manufacture PPE and sanitizers.

According to a recent inspector general report, however, the Postal Service is not meeting the needs of every customer. In fact, the Postal Service Office of Inspector General found that the Postal Service only met service performance targets for 3 of 33 products in Fiscal Year 2020. Why are service performance targets important? The inspector general said that missing delivery goals, quote, "could result in late fees and even a drop in credit ratings for consumers, as well as a disruption in cash-flow for businesses," end quote.

They added that late deliveries may drive mailers away from using the Postal Service to more nimble electronic options. And, the IG added, quote, "Once a consumer moves their bill payment online, they may be unlikely to go back to using the mail," end quote.

Simply put, missing service standards hurts those who rely on the Postal Service and is ultimately a death sentence for the strug-

gling agency. Despite the importance of meeting service standards, in the first three quarters of Fiscal Year 2021, 3-to-5-day mail has been delivered on time only 61 percent. In the first three quarters of Fiscal Year 2021, magazines were delivered on time only 64 percent. And, while service standards have improved in recent months, those improvements are likely attributable to a drastic decrease in service standard targets. So, in other words, when Louis DeJoy, the Postmaster General, noticed we weren't meeting targets, he lowered the targets.

We're here in Chicago today because this area is among the hardest hit by substandard delivery and because Chicago is a city with a storied postal history. Charles Lindbergh once actually flew a postal plane here in Chicago. Our history goes back to 1831 with the appointment of Chicago's first postmaster general, an illustrious predecessor of yours, Mr. Morgan.

By 1864, Chicago began at home mail delivery with the innovation of letter carriers. By the turn of the 20th century, Chicago's big businesses, like Sears and Montgomery Ward, relied on the post office to deliver their catalogs and advertisements that changed retail in America, paving the way for what is today a \$1.6 trillion postal industry that employs 7.3 million people.

In 1966, massive mail delays in Chicago prompted congressional investigations, which led in 1971 to the law creating the U.S. Postal Service as an independent establishment of the executive branch of government. Today's hearing continues a robust and important tradition of Postal Service oversight by Congress.

If you look at the screen—and hopefully see something other than me—there we go. This tells you a lot of what we need to know. We need to know why, in Chicago, on-time delivery rates dropped 7.8 percent during the third quarter when compared to last year's delivery rates. And this calculation does not factor in the postal services reduced delivery standards.

In the slide on the screen, you can see that COVID-19 was declared a public health emergency in late January 2020, but service standards did not start to plummet until July. So, the idea that, well, this is all due to the pandemic is not borne out by the fact that from January to July that is not what happened, and arguably that was the worst of the pandemic because we were in strict lockdowns. There were strict regulations, strict measures being employed to try to keep people safe. We didn't have vaccines, and, yet, delivery did pretty well until July.

As the slide also shows, these massive drops in service in Chicago are substantial and placed the city well below the national on-time average, but they're not the worst in the Nation. Baltimore has the largest reduction in service standards in the country, and you can see that with that very bottom line. That's Baltimore.

In quarter two of fiscal 2021, two-day mail delivery in Baltimore was on time only slightly more than half the time, and 3-to-5-day delivery was on time only 32.4 percent. We expect and demand more from our Postal Service. To do that, we need to provide it the resources and staffing it requires to meet customer needs. Instead, we're witnessing service delay degradation and price hikes.

Postmaster General DeJoy continues to make consequential and damaging operational changes in the Postal Service that affect

postal delivery nationwide, and he repeatedly has done so without conducting the data analyses or customer engagements required to ensure he's not causing unwitting damage. I've written four letters just this year to the postmaster general and the Board of Governors of the Postal Service expressing grave concerns about these management decisions, fleet contracts, and conflicts of ethical concern.

I am particularly concerned about his 10-year plan, which reduces service standards further and increases prices, a novel business model if successful. The Postal Regulatory Commission's advisory opinion of that plan to reduce delivery standards stated, and I quote: It is not clear that the tradeoff between financial viability and maintaining high-quality service standards is reasonable, unquote.

DeJoy's actions have, I think, contributed significantly to the ability of Chicago—in deteriorating Chicago's post offices and mail deliveries in order to meet customers' needs.

According to the Postal Service Office of Inspector General, four of Chicago's busiest post offices had difficulty grasping the scope of their own problems. If you look at the screen again, you'll see a table from a recent OIG report showing that four Chicago area post offices undercounted or delayed mail in their facilities by 59,752 pieces, a 95-percent undercount, or, in other words, they only got 5 percent right.

And, on the next slide, you can see that these same post offices underreported nondelivered mail by a 98-percent rate of under reporting. In other words, they only got 2 percent, which is kind of stunning. These are letters and packages we're talking about from family members to celebrate holidays and birthdays and anniversaries. They are bill payments that generate late fees for those who are trying to pay on time during a pandemic, I might add. These are paychecks people rely on to keep food on the table. We cannot allow this to continue.

Today, we've got witnesses who can help us define the root problems at these Chicago area postal facilities, and we have witnesses who need to be part of designing and implementing solutions.

The issues plaguing Chicago, however, should not be viewed as anomalies, unfortunately. These service delays are occurring throughout the United States. We're going to work together as colleagues to solve these problems and to hopefully change the governance of the Postal Service to ensure that we have a Board of Governors and a postmaster general who are, in fact, dedicated to the mission, which is delivering mail and packages on a timely and efficient basis to every household and every business in America every day.

Thank you.

I now call on the ranking minority member, Mr. Keller, who is on virtually.

Thank you for joining us, Mr. Keller. You are now recognized for an opening statement.

Mr. KELLER. Thank you, Chairman. I appreciate being able to be here today. Although it's virtually, I appreciate being able to participate.

Since the founding of our Republic, the United States Postal Service has been charged with one of the oldest and most important functions of Federal Government. In many ways, it was the Postal Service that made the earliest states, including my home state of Pennsylvania, the second state, become united because we could communicate across the country. Americans around the country rely on the Postal Service to deliver to over 160 million delivery points six days a week for their medications, bills, and any other kind of correspondence.

Today's hearing is meant to examine the causes of service delays and how the Postal Service plans to address them. And the premise is that service delays directly correspond to Postmaster General Louis DeJoy's tenure in 2020, let's make it perfectly clear, the post office has had issues far before the current postmaster general has begun his service with the post office. I'm not here to defend anyone or the Postal Service. I think there are a lot of things that need to be improved at the Postal Service since it lost \$9.2 billion last year.

And I know the ranking member of the Oversight Committee, Mr. Comer, and Chairwoman Maloney are working closely with the Postal Service and the Postmaster General DeJoy to craft a bipartisan solution to the problems the Postal Service is facing. However, we're having this hearing to supposedly examine the root causes of service delays at the Postal Service without actually having anyone from the Postal Service leadership explain what is being done.

Republicans are focused on reforming the Postal Service, and I look forward to the suggestions that today's witnesses may have. As for the correlation between mail delays and Postmaster General DeJoy's tenure as postmaster general, there's another thing that began in 2020: the COVID-19 pandemic. Canceled mail delivery flights, upwards of 14,000 UPS or United States postal workers calling in sick with COVID symptoms, a surge in online shopping, and a fundamental shift in the economy all push the Postal Service infrastructure and network to the brink.

Are we going to ignore the pandemic to pretend the shift in Postal Service was just because of Postmaster DeJoy's things he tried? Are we trying to do this just to try and score political points?

That approach lacks common sense. The problems that we've seen in the Postal Service, whether it's revenue or service, have been going on before that.

When it comes down to tough tasks, even in tough years like 2020, like distributing 99 percent of election mail on time, the Postal Service has delivered. While conspiracy theories about moving mailboxes in the middle of the night or sabotaging a Presidential election using the Postal Service were being pushed by Members of Congress, the men and women of the Postal Service did their jobs, and they did it well.

I hope this hearing will be a real conversation about the Postal Service and how they can best serve both rural regions, like Pennsylvania's 12th congressional District, as well as urban areas, like Chicago. It's not the job of Congress to go to every city or town experiencing a slowdown in mail, and do the Postal Service's job for them. The issues affecting Chicago mail are part of a larger, mostly

systemic issues in the Postal Service. We can keep playing partisan games like demanding the postmaster general or the Board of Governors be fired, but that isn't going to solve the problems facing people from Chicago, Pennsylvania, Illinois, or any other Americans.

I'm encouraged to see the chair and the ranking member of the Oversight Committee working together with the postmaster general to come up with real solutions to fix the Postal Service. And I hope this hearing today will contribute to that effort and not devolve into a blame game. Again, if we look at what has been going on with the Postal Service, it didn't just sort of happen overnight. They have been losing money for years, and we need to make sure that we get to real solutions that will benefit the people that work at the Postal Service and the American people that rely on it for timely delivering of services, of mail, medications, whatever anyone may choose to use the mail for. Thank you.

And I yield back.

Mr. CONNOLLY. Thank you, Mr. Keller.

And thank you for your opening statement.

The chair now recognizes the distinguished chairwoman of the full committee, the Committee of Oversight and Reform, Chairwoman Maloney, for her opening statement.

Chairwoman Maloney, welcome.

Mrs. MALONEY. Thank you so much, Chairman Connolly, for holding this important hearing—

Mr. CONNOLLY. Excuse me one second, Madam Chairwoman. We want to turn your volume up.

Mrs. MALONEY. OK.

Mr. CONNOLLY. There you go.

Mrs. MALONEY. Thank you, Chairman Connolly, for holding this important hearing and Congressman Danny Davis for requesting the hearing. The Postal Service is one of our Nation's most cherished institutions. Our dedicated postal employees deliver to 161 million locations six days a week regardless of the weather. The Postal Service binds our Nation together in a way that no other institution can and ensures that millions of Americans have access to the medications and other materials they need every day.

Unfortunately, as we all know well, the Postal Service's performance has been slow and often unreliable since Postmaster General DeJoy made changes last summer without testing them first and without communicating fully with employees or customers.

In many of our districts, we are hearing from constituents about significant delays in the delivery of mail, medicines, food, and other supplies. These delays are especially concerning and potentially life threatening to affect many Americans, impacting many people who rely heavily on the Postal Service for essential items. While some of these changes were reversed, delivery has remained unacceptably slow ever since, particularly, in cities like Chicago and Baltimore.

We understand that the pandemic has made staffing difficult for the Postal Service and that it has been facing record-breaking package volumes, particularly during last year's peak season in December. But these issues are not insurmountable and the recent delays are unacceptable. In fact, it is the responsibility of a Postal

Service, and Postmaster General DeJoy in particular, to find ways to overcome these difficulties to get the mail delivered on time.

It is—to do this, it is critical that Postal Service leadership remember that it is not a private business but a public service. We all want the Postal Service to be financially viable. That's why we have been working together to get the Postal Service Reform Act on the floor as soon as possible. This bipartisan bill, authored by Democrats and Republicans, would put the Postal Service on a sustainable, financial footing for years to come.

But allowing service to suffer while at the same time increasing prices will not increase the public's faith in the Postal Service. In fact, it might end up pushing people and businesses away from using the Postal Service. We must not allow the Postal Service to fail. It must continue providing the critical services that millions of Americans depend on.

I want to thank the ranking member and the chairman for calling this hearing, and I look forward to today's discussion. Thank you, again.

And I yield back the balance of my time.

Mr. CONNOLLY. Thank you very much, Chairwoman Maloney. And thank you for your leadership on this issue, and hopefully we can all work together to bring that bill, which passed out of our committee on a bipartisan basis, to the floor soon. Thank you, again, so much for being with us here today.

Now to welcome us to the Windy City is our colleague, Danny Davis.

Welcome, Mr. Davis.

Mr. DAVIS. Thank you, Mr. Chairman. Subcommittee Chairman Connolly, Ranking Member Keller, members of the committee, Senator Durbin, the Illinois delegation, Postmaster Morgan, Assistant Inspector General Melinda Perez, Mr. Mack Julion.

Let me begin, first, by thanking Chairwoman Carolyn Maloney for agreeing to hold this hearing in Chicago to examine declining delivery standards in the U.S. Postal Service. Representative Maloney has demonstrated tremendous leadership of the Oversight Committee, and it is indeed my pleasure to work with her.

I also want to thank you, Mr. Chairman, and your staff for coming to Chicago and for the leadership that you've provided to the Government Operations Subcommittee.

Given the fact that my first full-time job was working at the Chicago Post Office for more than a year and then working short hours for 3 or 4 years, I've always had a great deal of affinity for the U.S. Postal Service. And when I worked for that agency, the motto with the group that I worked with was "Clean hands, gentle touch; surely we owe a letter that much."

The U.S. Postal Service has had a long history of excellent service in the Chicagoland area. However, during the last decade or so, there seems to have been a continuous downward spiral in service delivery, employees morale, and community relationships brought on by a number of contributing factors. It is my hope that this hearing will put us back on track to restore the expectations of our public who believe that when labor groups and management are working cooperatively together, with mutually shared interest and concerns, that the best of services will be the result.

So, thank you, Mr. Chairman.

And I yield back the balance of my time.

Mr. CONNOLLY. Thank you so much, Mr. Davis.

And it is now a great pleasure for us to welcome the distinguished Senator from Illinois, Dick Durbin.

Senator DURBIN. Thank you very much, Chairman Connolly.

And my special thanks to Danny Davis and Robin Kelly and all those responsible for this hearing.

Mr. Chairman, it takes a pretty hot topic to bring a majority of the Illinois congressional delegation together. You've done it today. If you take a look at the numbers that have turned out here, it's an indication of what we are hearing in our offices and have heard for a long, long time. I asked my office: Give me an example of someone who's contacted us about mail delivery. Well, they told me the story of June this year when we were contacted by Teamsters Local 786. They told my staff that they'd not received any mail since May 20, weeks before, but that, because of the failure of the Postal Service to provide service, their members fell out of status with their insurance due to delay or missing checks. Think of it: In the middle of a global pandemic, a critical group of frontline workers were at risk of losing their health coverage because mail didn't arrive. That is just inexcusable.

So, we think about the mail service and I want to make it clear: I'm a champion of the Postal Service. I believe in them, not just because it's a constitutional authority and responsibility, but because they are good people doing good work, hard work on a regular basis. I think of, during the pandemic when I was down at our home in Springfield, Illinois, looking out the window for Greg to show up with the mail delivery, sometimes it was dark, eight o'clock at night, and there he was. Never missed it. Every single darn day, and there are people across America who count on that letter carrier and the postal workers who bring that mail to them. It's an important part of their life. It binds them together and all of us together as a Nation.

Last night, my wife and I were walking back from visiting our granddaughter near north side around the Belmont Avenue area, 7:30 at night I see a cart in the middle of the sidewalk. It was a delivery cart for some letter carrier, seven o'clock at night. And I wondered what was going on. I look, he was inside, and he was feeding mail into the slots for the people who lived in that building. These folks are working hard, and they're finding it hard to keep up with some of the demands.

What's it all about? Well, some of it's about COVID. COVID changed America in a lot of different ways, and I'm sure it challenged the Postal Service in terms of the health of their workers and their availability, but COVID was an opportunity for us to rely more and more on the Postal Service, and we got to keep that in mind. We're also living in a changing marketplace: emails over letters, parcels and packages now in greater volume. My letter carrier down in Springfield said: Senator, can you believe that today I was delivering boxes of duct tape as part of my mail delivery? It's just part of what I do every single day.

There's some other things that are part of this. Retirement requirements. We all know that as Members of Congress. That's on

us. The amount of money we ask of the Postal Service out of their operating expenses to prepare for future retirements, I think it's the highest in Federal Government, and the question is, is it realistic? Did we go too far? It's time for us to answer that question.

And then there are management decisions, and they've been aluded to already. I'm not a business consultant, don't pretend to be, but if someone came to my business and said, "I got an idea. I'm going to reduce the value of your product. I'm going to raise its price," you'd say to yourself, "You think that's a winning combination?" But that's what we hear about a future management plan. We're going to reduce or increase the time for delivery on items in the mail, and we're going to raise the cost of mail in the process. Those two things just don't work together. It seems to me we better think hard about that.

So, let me close by saying, it's an honor to be with you. The turnout of the delegation tells you how important this issue is. We want to work with you and the leadership in the Postal Service to make it continue to be the best in the world.

Mr. CONNOLLY. Thank you so much, Senator Durbin. And I'm reminded of the point you made about how personal the connection is between communities and their post office. When we were coming into this building, one of the gentlemen greeting us was a mail [inaudible] in this case in those 60 years, three. And the neighborhood has adopted every one of them. They're sick, they get get-well cards. It's their birthday, they get—you know. I mean, they're part of the community. And what other business can really point to that kind of relationship, so great point. Thank you so much, Senator. Great to have you here today.

Next, we recognize another former employee of the Postal Service who's now a Member of Congress, Brenda Lawrence. Brenda, you with us?

Mrs. LAWRENCE. Yes, I am. I'm right here.

Mr. CONNOLLY. We're so glad to have you. You got your two minutes.

Mrs. LAWRENCE. Thank you. I want to thank you, Chairman Connolly, for hosting this event and to also Chairwoman Maloney.

As the only Member of Congress who worked an entire career in the United States Postal Service, I continue to be alarmed by efforts taken to undermine the service element of this great institution. Serving as a letter carrier, serving as a person who sorted mail, serving as a supervisor, serving on management leadership, doing audits of service, we took pride in every single day every piece of mail leaving that building. And as a supervisor, as a manager, I had uniquely the responsibility and the pride of providing this service to America. But, as part of postmaster general's 10 year plan, we are seeing that he wants to lower the standards of delivery, which will transform who we are as a Postal Service.

Last month, I led a letter with senior members of the committee requesting additional information. Why did I need additional information? Because where does lowering standards increase the productivity or the budget or the bottom line of the Postal Service? Where is it that there is a unyielding reason during COVID and everything else we went through to lower or dummy down our abil-

ity and to strike to me at the pride of postal workers to get the job done?

We are there because of the Constitution. We are there because we are a service to the people of the United States. By undermining the agency's mission to provide prompt and efficient services, it'll do little but to chip away at the bedrock of this community, this service. As the American people, they deserve better. And just like we just heard from the Senator, the question was made earlier, we should not be interfering.

I don't know about you, sir, but I have been inundated with calls and demands for action: Why is my mail late? Where are my prescription drugs, my checks that I rely on? Small businesses, think about that, who are now being held hostage to service standards that make no sense because they are dependent upon the Postal Service.

So, the question is, if we don't stand up as Members of Congress who have oversight, who's going to fight for the people?

I want to thank the chairman for yielding, and I look forward to this hearing today.

Mr. CONNOLLY. Thank you so much for joining us and thank you for your leadership, Congresswoman Lawrence. We're always benefited from your experience in working in the Postal Service and understanding the nuts and bolts of the operations. Thank you so much.

The chair now recognizes the distinguished gentleman from Illinois, Mr. Krishnamoorthi.

Mr. KRISHNAMOORTHI. Thank you, Chair Connolly, thank you, Chairwoman Maloney, and thank you, Danny Davis, Congressman Davis, for convening us here today. All of you know this, but the United States Postal Service is the most popular government institution in America. More than 91 percent of Americans rate the Postal Service very highly, according to most recent Pew Polls. That's almost as high as Danny Davis's rating in this district.

The Postal Service delivers 48 percent of the world's mail. In my district alone, the Eighth District of Illinois, the Postal Service employees over 3,000 people. These are hardworking men and women dedicated to one simple principle, which is the timely and safe delivery of mail. The USPS is supposed to be completely reliable for every American, proven by the fact that the USPS even delivers mail from a sack on a mule in the Grand Canyon.

I am saddened to see that the USPS has been failing to meet its service standards. I've had constituents tell my office numerous stories, including one where it took three weeks for an envelope to get from Evanston to Oak Brook—I'm sorry, North Brook. That's only 11 miles. That's ridiculous.

The onset of delayed mail can be traced to Louis DeJoy when he took over in July 2020. His reduction in service standards, especially the ones that were instituted on October 1 just a couple weeks ago have been a plague on the USPS, and we'll be talking about that today. That's why I introduced the DEJOY Act, Delivering Envelopes Judiciously On-Time Year-round, to make sure that we return to the service standards that Americans deserve. But to borrow a phrase: Neither snow nor heat nor gloom of night

will stop us from saving the post office. And that's why we're here today.

So, thank you so much, Chairman Connolly, for convening us.

Mr. CONNOLLY. Thank you so much, Congressman Krishnamoorthi.

And thank you, again, for your wonderful contribution on the committee.

The chair now recognizes the distinguished gentlelady from greater Chicago, Robin Kelly.

Ms. KELLY. I want to thank Chairman Connolly for holding this important hearing and all the witnesses who are here today.

Thank you, Chairwoman Maloney, and thank you to my colleague Danny Davis for having this great idea to invite the committee out.

My office, like everyone's here, has been slammed with post office casework. I don't need to tell anyone the effects of slow mail, but I have constituents who are not getting critical prescription medications on time. I have other constituents without broadband access who pay their bills by mail being charged late fees due to the slow mail. For many, the late fees are causing financial hardship for them and their families. My district is urban, suburban, and rural, and this has been an issue for everyone. People depend on the reliability of their post office to get their medications, pay their bills, send birthday cards, or letters to loved ones.

Even though they were having problems leading up to the time of DeJoy under the leadership of Postmaster DeJoy, first-class mail in my district has gone from an on-time delivery rate of 90.9 percent in quarter two of 2020 after the pandemic that shut everything down and before DeJoy was appointed to a 69-percent on-time delivery rate, according to the U.S. Postal Service. This is unacceptable. Almost one out of every three pieces of mail is not getting to my constituents on time. And it's not that the mail is a few days late; some are taking weeks or even months to get to people. I received a Christmas card in February.

I've never worked for the post office, but my mom retired from the post office, and my brother is a postal worker now. So, this is personal to me also. I hope we can have a productive hearing today and find solutions so my constituents can stop worrying about missing their prescriptions and their bills.

I yield back.

Mr. CONNOLLY. Thank you so much, Congresswoman Kelly, and thank you for your service on our committee as well.

The chair recognizes the distinguished gentleman from the great state of Illinois, Mr. Quigley, for his opening statement.

Mr. QUIGLEY. Thank you, Mr. Chairman.

Mr. Chairman, first of all, thank you for agreeing to bring this subcommittee to Chicago and thank your staff for working with my office to put this hearing together. There are issues all across the country, but the subcommittee decided to come to Chicago, and we're forever grateful.

I also want to thank our witnesses for being here today and the work that you do on an ongoing basis, but we have work to do. The problems are numerous. In Chicago, there are about 100 mail routes across the city going undelivered daily. It's been as high as

150. Mail theft, random post office closures, delayed mail carrier start times, and slow case work, just to name a few. Unfortunately, about 75 percent of the first-class mail in my district is getting delivered on time. These problems have consequences for Chicagoans who rely upon USPS to deliver their mail.

Now, I get it. I've been doing public service in one manner or another since about 1980. The problems have existed on an ongoing basis, but I do think they've been made worse by the measures that the postmaster has put in place. The notion of decreasing standards while increasing prices defies business logic, and it's really a disservice to the American people. And I understand that these problems can't be solved by USPS alone. We have seen remarkably slow progress made by USPS to try to address them all. It's simply unacceptable. So, that brings us to today.

I look forward to learning why the problems in Chicago have been so persistent and what actions will be taken to resolve them quickly and permanently.

And thank you, again, Mr. Chairman. We appreciate your being here.

Mr. CONNOLLY. Mr. Quigley, thank you so much. And thank you to you and your staff, as well as Mr. Davis and his staff, have really helped us, along with the courthouse staff here in Chicago. So, thank you so much for making this possible. We really appreciate it.

The chair now recognizes the distinguished member of the Illinois delegation, Congressman Bobby Rush, for his opening statement.

Mr. RUSH. Thank you, Mr. Chairman.

I want to thank Chairwoman Maloney, who was my friend since we were both elected together in 1993, and I certainly want to thank my colleague, Congressman Danny Davis, for all the work that he's done on this issue.

And Mr. Chairman, I want to thank you for the opportunity to waive on this subcommittee for this vital field hearing. We all know my constituents are celebrating your arrival and celebrating this hearing.

Mr. Chairman, missing mail, along with delayed and inconsistent delivering, have consistently plagued my constituents. This poor service has had real impact and resulted in missing bills that are overdue, lost medication, and trouble checking on the vital documents and packages.

As you stated, Mr. Chairman, these issues, while worsened by the coronavirus, pre-date the onset of the public health emergency and point to a wider systemic neglect by the Postal Service. This is why, after hosting a townhall meeting in July 2020 with over 3,500 of my constituents, I've been questioned—that the U.S. Office of Inspector General ordered four stations in my district that were the subject of high volume of complaints to my district.

I'm so glad that this report served as part of the evidence for today's hearing, and I ask unanimous consent to enter it into the record. Furthermore—

Mr. CONNOLLY. Without objection, so ordered.

Mr. RUSH. Furthermore, Mr. Chairman, due to the rampant neglect on my constituents and concern and failure to rectify this sit-

uation in a timely manner, I single-handedly call for the termination of the Chicago Postmaster General Wanda Prater. I was pleased that the USPS heeded my call for new leadership here in Chicago and that Ms. Prater was ultimately transferred to another state.

Mr. Chairman, I look forward to this frank discussion today, and I'm eager to continue working with all of today's distinguished witnesses, who are also my friends, to help at long last raise the standard of Chicago's mail delivery to where it should be.

Mr. Chairman, thank you very much.

And I yield back.

Mr. CONNOLLY. Thank you. Thank you so much, Mr. Rush.

The chair now recognizes the distinguished gentlelady from the great state of Illinois, Congresswoman Jan Schakowsky, for her two-minute opening statement.

Ms. SCHAKOWSKY. So, thank you so much, Mr. Chairman, for convening this hearing.

Thank you, Danny Davis, for helping to make this happen. Yes, it's true that for years residents of the Ninth congressional District of Illinois have faced significant mail delivery delays at times, but over the last year, my district office has opened thousands, yes, thousands of cases with the Postal Service for only four Chicago neighborhoods—Uptown, Rogers Park—I'm going to take this off—Rogers Park, North Town, and Edgewater. My staff has also worked on many other cases, including those in Evanston and Skokie and Arlington Heights, and everything in between.

We must not forget that each one of these cases represents real people—real people—who rely on the Postal Service to ensure that they are going to receive their bills, their Social Security checks, and their lifesaving medicine. Unfortunately, under the leadership of Postmaster DeJoy, what we have seen is a beloved agency that has become mired in corruption and mismanagement.

Earlier this week, just this week, over 200 residents from my district wrote postcards—this is just an example of the 200—over 200 postcards that were written. Some people said, one person said: We often go 3 to 5 days without any mail whatsoever. Some pieces are never delivered at all.

And another person wrote: Why does it take so long to receive mail these days?

I hope that today's hearing will find the answers to these questions and, more importantly, the solutions to the problem. Our residents and our letter carriers deserve better. Thank you.

And I yield back.

Mr. CONNOLLY. Thank you so much, Jan. Thank you for your leadership as well.

The chair now recognizes the distinguished gentleman from Illinois, Mr. Bill Foster, Congressman Bill Foster, who I believe is on screen. Bill?

Mr. FOSTER. Yep. Audible and visible here?

Mr. CONNOLLY. Great. You're recognized for your two-minute opening statement.

Mr. FOSTER. Well, thank you, Mr. Chairman. I'm Congressman Bill Foster. I'm a scientist and businessman, though I'm proud to represent the 11th congressional District of Illinois, a district that

contains Aurora, Joliet, and Naperville, the second, third, and fourth largest cities of Illinois.

I want to thank the Committee on Oversight and Reform for holding this hearing today and especially thank my colleague, Chairman Connolly, for leading the fight to resolve these mail delivery and the inadequacies in the Chicagoland area and around the country.

The Postal Service is critical for many Americans, including the people that I serve in the 11th District. Unfortunately, on-time delivery rates have declined significantly between July and December 2020 to a low of 67 percent at the end of December 2020, and they remain inadequate today.

This decline has had a very tangible impact, and every Member of Congress has been hearing about it. These lapses in service mean late medications, difficulties for small businesses that rely on the Postal Service, and a level of inconvenience and uncertainty for our constituents that's simply unacceptable.

As our economy finally gets up off the couch and gets moving again after the pandemic, there are going to be sore muscles and snafus and bottlenecks, we get that, but the postal delivery service should be a source of strength and certainty in our economy and our lives and not just an additional source of uncertainty. So, as we examine the dramatic drops in postal delivery service standards in today's hearings, I want to make it clear that Members of Congress need and expect a realistic plan from the postmaster in advance of the coming peak season that addresses the issues we're going to be discussing here. We need to tackle these problems now before the situation becomes more difficult, and that's why I'm glad we're all here today.

I look forward to hearing from and working with you to improve delivery times and the overall quality of service from the U.S. Postal Service. Thank you.

And I yield back.

Mr. CONNOLLY. Thank you. Perfect timing, Mr. Foster. And thank you for also reminding us, as bad as the problems are right now, we are coming up in peak season. So, it could get a lot worse given the volume we're facing. Thank you for reminding us of that.

The chair now recognizes the distinguished gentleman from the great state of Illinois, Mr. Brad Schneider, who is also on screen, for his two-minute opening remarks. Brad?

Mr. SCHNEIDER. Thank you, Mr. Chairman. Chairman Connolly, I'm so grateful that you are hosting this hearing on a critically important issue and doing it in our great city of Chicago.

I want to also thank our witnesses for speaking on the current state of the Postal Service and particularly how the Chicagoland area has been affected by changes in postal operations, drop in service standards, and mail delays.

As Senator Durbin noted, it doesn't take a business consultant to know that lowering service value while increasing service price is not a formula for success.

I'm a huge advocate for the United States Postal Service. Unlike Congress, the Postal Service is held in very high regard by all Americans, and every American fairly expects quality, timely serv-

ice with rising service standards. Unfortunately, over the past year, we've experienced the opposite.

Since Louis DeJoy took over as postmaster general in July 2020, the Postal Service has experienced dramatic drops in delivery service performance, and this hearing today is being held in Chicago because the circumstances are even more dire in our community. In my district, Illinois' 10th District, which is located just north of this hearing facility, we felt the effects of DeJoy's changes and mail delays even before the data started rolling in. The drop in service standards has had real impact on my constituents, and my heart breaks every time I talk to someone who shares that they aren't getting their medication to treat a chronic condition on time or that their bills are arriving sometimes months late leading to late fees, cessation of services, or lowering of their credit rating, or the Social Security recipient who says her check hasn't arrived forcing her delay the payment of her bills and other real financial stress.

Since 1970, the Postal Service has been a critical, independent Federal agency that ensures that mail reaches every address in our Nation.

During the pandemic, all of us experienced just how essential the Postal Service was and is to our everyday lives and that is why I've called on DeJoy time and again on behalf of my constituents and our Nation as a whole to fix the operational changes that clearly aren't working to address mail delays, and it's also why I've been and will remain a great advocate for funding our Postal Service.

Thank you, Mr. Chairman.

And, with that, I yield back.

Mr. CONNOLLY. Thank you so much, Congressman Schneider.

The chair recognizes the distinguished gentleman, who represents my old stomping grounds when I was in college in DuPage County, the distinguished gentleman from Illinois, Mr. Casten, for his opening two-minute remarks.

Mr. CASTEN. Thank you to Chair Connolly or, as we refer to him, the pride of the Sixth District for organizing this hearing and allowing me to participate.

The Postal Service provides an absolutely critical function of this Nation, especially in this moment with seniors relying on the Postal Service for Social Security checks, folks for prescriptions, families right now for the child tax credit checks that are going out, and, yet, for the last year in the Sixth District of Illinois, the calls that have come in from my constituents have had a strong, kind of Mark Anthony vibe. They have not called to praise the Postal Service.

We've received calls from members asking our office to help them figure out how to get out from under penalties that they are being charged for bills that are unpaid but they never received. We're getting calls from families asking how to get the economic impact payments that we structured to get them—to help recover from COVID that they never received but were counting on for their finances. I got one call from a 64-year-old woman, who had waited three weeks to get critical prescription drugs, in a panic. We've gotten a whole lot of other calls from folks who have not received their medicines at all. Had one family who reached out because their birth certificate was lost in the mail as they were renewing their

passport and was wondering how they are going to be able to identify themselves going over and if somebody else is going to use their identity.

One call is a fluke. Two is a coincidence. Three is a pattern, and we've gotten a lot more than three calls. Now, the service degradations that we've seen just from that sample have not correlated with the weather. They've not correlated with periods of increased demand. And, as you point out well, Mr. Chairman, they seem to be nationwide. This is a problem that's driven from the top, and I would submit to you that it's been deliberately imposed by Postmaster Louis DeJoy to weaken and ultimately privatize the post office. He's more or less said so about as openly as you can.

The OIG report details how DeJoy's efforts this past year and a half to close processing facilities, remove sorting machines, restrict carrier movements have strained our mail system from the top down and, of course, the October 1 service standard reduction, which will slow down our mail system even more at a time when everything else in society is getting faster. I know that the post office is filled with dedicated, hardworking individuals who want to do a good job, but when there's a problem at the top, the buck has to stop at the top.

I commend the letter carriers, the mail handlers for doubling down in spite of these operational challenges. Through rain, sleet, and snow, our country relies on the U.S. Postal Service, and it's imperative we have a working system with a postmaster general who actually believes in improving the system, not degrading it, especially in this moment when reliable, affordable mail is a necessity for millions. Thank you.

And I yield back.

Mr. CONNOLLY. Thank you, Mr. Casten.

The chair now recognizes the distinguished gentleman from Illinois, Jesus "Chuy" Garcia, Congressman Garcia, for his two-minute opening remarks.

Mr. GARCIA. Thank you, Mr. Chairman, for convening this important meeting, and as my colleagues have noted, the Postal Service is a lifeline to our constituents. At its best, it is an equalizing institution that ensures critical packages, like medications, Social Security checks, and important paperwork, are delivered to every doorstep in the U.S., but, unfortunately, in the neighborhoods I represent, people's experience has been very different from that ideal.

Long before I came to Congress, I heard concerns about mail service and delivery in my district and across the Chicagoland area. And, since I became Congressman, I've noticed, I've continued to hear messages loud and clear that my constituents are waiting unacceptable periods of time to get their mail. In some instances, they're not getting mail at all. All of this was before the selection of Louis DeJoy as postmaster general. His changes, as demonstrated in USPS OIG reports, made a situation worse.

As we know from the reports, on-time delivery rates plummeted and this at the same time as mail delivery became all the more critical for service that people had previously sought out in person. Constituent complaints accelerated, like the one from a small business that shifted away from mail payment after delivery proved too unreliable or a constituent whose bank canceled her credit cards

after she didn't receive them or an elderly couple, one of whom is bedridden and dependent on mail delivery for critical medication.

In all, we receive thousands of constituent complaints, over 100 which we filed formal complaints with USPS. And look: I still believe in the power of the post office. It's got the potential to keep us together and connected even as the pandemic continues to keep us apart, but in order for it to fulfill that incredible potential, the mail's got to get delivered. And I'm committed to working with postal leadership, union representatives, and congressional colleagues to make that ideal a reality.

Thank you, Mr. Chairman.

I yield back.

Mr. CONNOLLY. Thank you so much, Congressman Garcia.

The chair now recognizes the distinguished gentlewoman from the great state of Illinois, Lauren Underwood, for her two-minute opening remark.

Ms. UNDERWOOD. Well, thank you, Mr. Chairman.

I'm so delighted to be here today because the drastic drop in delivery standards that Illinois has seen under Postmaster General DeJoy's leadership is unacceptable. I know we'll hear a lot today about how Chicago has been affected, but I also want you to hear what this has meant for rural and suburban communities like mine, where we are incredibly reliant on USPS.

Since Mr. DeJoy became postmaster general, postal case work in my office has quadrupled. Small businesses have been hobbled by slow and unreliable delivery. Families separated by the pandemic have been missing opportunities to connect. Holiday cards were delivered late or not at all, and passports have taken weeks to arrive after they were mailed. All because of policies from the previous administration and Postmaster General DeJoy that are undermining our Postal Service.

Let me be clear: This attack on USPS is an attack on seniors, veterans, and small businesses across the country. It's an attack on frontline workers, who have worked harder than ever during the pandemic, and on economic prosperity for Black Americans, who comprise almost a quarter—a quarter—of USPS employees. It's an attack on voting access as more of us safely and securely cast our ballots by mail.

I see an all-too-familiar pattern in these attacks. Regrettably, there are those operating in our political system who want to dismantle and privatize much of the government. A great way to do that is to degrade our most popular and impactful government services until we are so understandably frustrated that we look elsewhere.

Senator Durbin described Postmaster General DeJoy's plan as designed to sink the Postal Service, not save it. And, sadly, I think he's right.

That's why today's hearing is so important, and I look forward to working with my colleagues here to conduct oversight and pass legislation to protect, strengthen, and modernize the Postal Service.

Thank you, Mr. Chairman. And thank you to our witnesses for joining.

I yield back.

Mr. CONNOLLY. Thank you so much, Congresswoman Underwood, and unbelievably precise timing. Great job.

And, last but not least, the chair is happy to recognize the distinguished Congresswoman from the great state of Illinois, Marie Newman, for her two-minute opening remarks.

Ms. NEWMAN. Good morning and thank you, Chairman.

Good to see everybody and so pleased to be to talk with everyone. I want to thank our witnesses for being here, and I also just want to make the statement that so proud of our postal union workers and all workers throughout the postal systems. We stand with you, behind you always.

As everyone in the room already knows, the primary function of the USPS is to deliver mail on time to residents every day except Sunday. Frankly, Chairman, I am disappointed to say that, on Chicago's southwest side, that has not been our reality. In fact, it's been the exact opposite.

I represent Illinois's Third District, which is home to over 700,000 residents that all rely on mail to receive their checks, pay their bills, access their medication, and communicate with loved ones.

Between the months of March and May of this year, my district was home to 3 of the top 25 worst performing offices in the country. Chairman, I have been in office for less than a year, and in that amount of time, our office has received nearly 500 constituent complaints on postal delays, lost mail, or other delivery issues. And, in Chicago, there's been an exceptionally poor job in recruiting and maintaining carriers, although I believe that it's getting slightly better, which is only further exacerbated by the pandemic. And we realize there is a pandemic here to be clear.

It is crucial we work to hire more carriers right away. I also want to be clear that these service delay issues represent an economic divide that historically and largely affects our Black and Brown neighborhoods. Our low-to moderate-income communities lack access to financial technologies that allow them to pay for their bills electronically; therefore, they rely on the Postal Service all that more.

So, Mr. Chairman, when mail doesn't arrive on time, it may very well stand in the way of my constituents having food to eat, roof over their heads, and paying their bills. And, as a former small business owner, I hear from them every day and have great empathy. I know that our local entrepreneurs rely on the Postal Service to deliver their products every day. So, when the mail doesn't arrive on time, it may well mean the difference between an open or shuttered business.

Let's be clear: This issue comes from the top down at the United States Postal Service. And today I look forward to demanding answers from them because, when mail isn't delivered on time, we fail our small businesses, our most vulnerable communities, our seniors, our veterans, everyone. And I just want to make one additional comment about the shuttering of sorting machines. That is one of the key reasons we're having trouble recruiting carriers because when you shut down 30 percent of sorting machines in one state, as we have in Illinois, it really affects all of our workers and

also affects management, to be clear. They've had a really rough time of that as well.

So, I just want to be clear that that is a problem.

And I yield back. Thank you very much.

Mr. CONNOLLY. Thank you so much.

And let me just say, I don't—I want to thank all my colleagues for being so disciplined in trying to keep the time limits. We were able to get through all the opening statements in one hour.

I also think it's an extraordinary thing that there are 13 members from the state of Illinois alone, plus others of us not from Illinois, who are participating in today's hearing. That is—that's a profound statement about the level of interest, the level of concern, and the commitment of these men and women who represent Illinois proudly in the U.S. Congress to improving Postal Service to all of our constituents. So, thank you all for being here today.

I'd now like to introduce our three witnesses, and thank you for your patience, but I think it's instructive and important for you to hear the concerns of Members of Congress.

Our first witness today is Eddie Morgan, Jr., Chicago Postmaster from the U.S. Postal Service. Then we'll hear from Melinda Perez, deputy assistant inspector general for Audit, U.S. Postal Service Office of the Inspector General. And, finally, we'll hear from Mack Julion, union representative for the National Association of Letter Carriers.

And, actually, I think more than union representative; you're a regional—you're the regional head of the letter carriers here, yes, and national trustee. Thank you.

The witnesses, if you would rise and be unmuted so that we can swear you in. It is the custom of our committee and subcommittee to swear in all witnesses.

If you would raise your right hand.

Do you swear or affirm that the testimony you're about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Let the record show that all three of our witnesses answered in the affirmative.

Thank you. You may be seated.

Without objection, your written comments will be entered fully into the record. We would now ask that you summarize your testimony in a five-minute time slot.

And first to go is you, Mr. Morgan. Welcome.

**STATEMENT OF EDDIE MORGAN, JR., CHICAGO POSTMASTER,
U.S. POSTAL SERVICE**

Mr. MORGAN. I'm sorry. I see it. All right.

Good morning, Chairman Connolly, members of the subcommittee, and Illinois' delegation. Thank you for calling this important hearing to examine service performance in Chicago.

My name is Eddie Morgan, Jr. And since June, I have served as acting executive Postmaster of Chicago, where I oversee service to 1.3 million delivery addresses. I have nearly 24 years of service as a postal employee and served four years in the United States Air Force.

Several factors have led to the current instability of the Chicago Post Office work force and service. Street crime, including frequent assaults, robberies, and two carriers being shot, has raised understandable fear, leading to deficiencies in recruiting and retaining work force. We have additionally faced problems with retention between the time applicants accept the job and the time they complete the four-day carrier academy. Pandemic-related leave and other employee availability issues have further hampered the ability to achieve and maintain service excellence.

While we have seen an improvement in attendance since the expiration of the Emergency Federal Employee Leave benefit, we continue to struggle with commitments from our new hires and even some career employees who refuse to deliver in certain zones within the city of Chicago due to violent crime. Though our level of authorized positions is appropriate to the daily workload and on some days surpasses the need, daily employee availability challenges our ability to achieve consistent, on-time delivery.

Chicago city carrier employee availability—ability—availability—I'm sorry—began steadily improving from April through August. Working within our collective bargaining agreements, we have taken appropriate, progressive administrative actions for individuals with high unscheduled absences. We are also in the process of filling 27 vacant station manager and supervisor positions.

I have also taken the following steps to enhance training and build the skill sets of local leadership teams: Establishing daily cadence calls with senior operating managers, holding supervisor summer school to develop our leaders who handle the day-to-day oversight of our craft employees, holding in-person trainings when any new internal dashboard is launched, and supporting peer-to-peer coaching.

Since my arrival in June, we have hired 243 city carrier assistants and postal support employees. By the end of the year, we are projecting to hire 180 additional carrier assistants and 68 postal support employees.

In September, we adjusted letter carrier start times to align with mail availability and provide increased and more reliable service. This change was based on analysis of when mail was arriving at each unit, and start times were individually adjusted in accordance with those arrival times. On average, start times were adjusted by 30 to 45 minutes. Before the adjustments, carriers were reporting to the office before the last dispatch arrived for mail processing plants for delivery. At no fault of their own, they simply had no work to perform during this waiting period.

I want to stress that a later start time does not equate to later delivery times. Since implementation, we have seen carriers returning from their routes at the same time of day they did previously, while providing more consistent delivery to our customers.

Other steps I have taken to improve service and customer experience include hiring a contracted team to improve internal and external facility maintenance until we are able to fill 17 custodial vacancies, establishing a retail customer experience recognition program to reinforce national goals and expectations, mandating that employees wear uniforms to maintain the brand and reinforce pub-

lic trust, reestablishing consumer advisory councils to connect customers with their local office.

Three councils are currently in place, and we hope to expand to at least one for each alderman's area. And I have also mandated contacting customers within two hours of receiving an inquiry to gather any additional information needed to resolve their concerns.

While I have only served the city of Chicago for a short time, please note I am committed to providing high-quality, reliable service to our residents. We have seen service performance improvement over the last eight weeks as a result of the processes we have established, and we will continue to refine those processes as any new challenges arise.

Thank you, Chairman Connolly and members of the subcommittee, for the opportunity to address these matters. I welcome any questions that you or members of the Illinois delegation have.

Mr. CONNOLLY. Wow. You had 11 more seconds. Good, good job. Thank you so much. And thank you for joining us today, Mr. Morgan.

Ms. Perez.

STATEMENT OF MELINDA PEREZ, DEPUTY ASSISTANT INSPECTOR GENERAL FOR AUDIT, OFFICE OF INSPECTOR GENERAL, U.S. POSTAL SERVICE

Ms. PEREZ. Good morning, Chairman Connolly, Ranking Member Hice, members of the subcommittee, and the Illinois delegation. Thank you for—

Mr. CONNOLLY. Excuse me. Is your mic on?

Ms. PEREZ. Yes, sir.

Mr. CONNOLLY. Can you pull it closer? It's a little hard—

Ms. PEREZ. Can you hear me better now?

Mr. CONNOLLY. Much better. Thank you.

Ms. PEREZ. OK. Thank you for inviting me here today to discuss our work related to the Postal Service's operational changes and service performance.

The mission of the OIG is to ensure the efficiency, accountability, and integrity of our Nation's Postal Service through independent oversight under the authority of the Inspector General Act of 1978. We take our mission very seriously.

For a long time, Chicago has experienced delays in mail delivery. Last year, the issues intensified, and Members of Congress expressed concern about deteriorating mail service. In response, we visited several Chicago Post Offices to analyze the extent of the problem to see what was causing the service failures. During our visits we observed mail and parcels that had been sitting for up to 19 days without being delivered. This was driven, in part, by not having enough employees to fully cover all carrier routes, a challenge that increased for Chicago, along with the rest of the country, due to the COVID-19 pandemic.

We also found the full extent of these delays was not evident in internal postal data systems because they were not reported properly. Accurate data may have allowed postal management to more proactively address these issues.

In addition, during an earlier audit, we found delivery delays were sometimes the result of difficulties that occurred prior to the

mail arriving at the post office. Issues with mail processing and transportation led to mail being sent to post offices late or not fully sorted for the carriers, which, in turn, increased the risk of mail not being delivered on time.

As a result of our observations and findings, we made several recommendations to help the Postal Service address these issues. To help postal stakeholders more easily find service information, we recently deployed a new service performance website that shows how Chicago and the rest of the country performed over time. Service scores for Chicago were generally worse than the national average, and most of the first-class mail scores in Chicago this year have been lower than they were in previous years.

Looking at the recent data reported for April through June 2020, Chicago had the second worst service score of all the postal districts for two-day letter mail. Specifically, the Postal Service only delivered around 82 percent of this mail on time, compared to the national average of just over 90 percent. However, this 82 percent score marks an improvement over the preceding quarter. And this recent positive trend in service was seen across almost all of Chicago's service scores. We will continue to monitor this trend as the Postal Service releases new service performance information.

Though things seem to be improving, we recognize the importance of timely mail delivery across the country and have a body of work focused on this topic. For example, in the fall of 2020, we issued reports on how the Postal Service's implementation of operational changes across the country impacted service. We found that the operational changes, on top of employee absences due to COVID, negatively impacted the quality and timeliness of mail delivery.

More recently, we looked at nationwide service performance and identified the most common root causes behind service failures. These included insufficient capacity to handle the increase in parcels, sending parcels to the wrong facility, staffing shortages, and mail not being fully sorted when it arrived at the post office.

The Postal Service has plans to address these concerns. However, implementing multiple initiatives to correct these issues will be challenging, especially now as the Postal Service is entering the holiday peak season.

Timely mail delivery will continue to be a focus of our work. This work is vital to ensuring the American public has an efficient Postal Service. We will soon release a report on the Postal Service's readiness for the upcoming holiday season. Another project will assess how the Postal Service manages its delivery operations, with a focus on undelivered routes. In a third project, we will be reviewing the 10 lowest-performing mail processing plants, which include two in greater Chicago. We will look at multiple data sources to determine what is causing their poor performance and what solutions should be considered.

We understand that getting mail on time is critical to everyone. We look forward to continuing to work with you to evaluate service concerns in Chicago, as well as the rest of the country.

Thank you for the opportunity to discuss our work. I am happy to answer your questions.

Mr. CONNOLLY. Thank you so much, Ms. Perez. And thank you; you had 19 seconds more to go.

And we're going to be very interested in those 10 you're going to be looking at. And, hopefully, you'll stay in close touch with us on the subcommittee, given our interest and this level of interest all around the country.

It now gives me great pleasure to recognize Mr. Julion for his five-minute opening remarks.

**STATEMENT OF MACK JULION, UNION REPRESENTATIVE,
NATIONAL ASSOCIATION OF LETTER CARRIERS**

Mr. JULION. Thank you.

Good afternoon, Chairman Connolly, Ranking Member Jody Hice, and to all the other members of the Subcommittee on Government Operations, the Illinois delegation, and, of course, Senator Durbin. I thank you for the opportunity to be here today on behalf of the 4,500 members of the National Association of Letter Carriers, local Branch No. 11 located in Chicago.

Like other craft employees of the Chicago Post Office—mail handlers, clerks, and custodians—ours is a very proud, hardworking, and dedicated work force. We believe in the mission of which we were sworn, and that is to move and deliver the mail of the United States Postal Service. Unfortunately, the reason we are here today is to discuss the crisis that has befallen the Chicago Post Office, a crisis that was not borne of the recent pandemic or the questionable policies of the current postmaster general but, rather, was years in the making and only exacerbated by COVID-19.

In order to get a clearer picture of the current state of the Chicago Post Office, I will frame my testimony with a passage from title 39 of the U.S. Code: Postal Policy.

A. The United States Postal Service shall be operated as a basic and fundamental service provided to the people by the Government of the United States, authorized by the Constitution, created by act of Congress, and supported by the people.

It goes on to say: It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render Postal Service to all communities.

B. The Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining.

The Chicago Post Office today resembles nothing of the aforementioned Postal Policy. Yet it is consistent with the report of the Office of Inspector General dated May 13, 2019, on the Graceland Annex. The audit was done at the request of Congressman Mike Quigley. This report identified late-arriving and unsorted mail, falsified scans to stop the clock on packages, the underreporting of delayed mail, the mismanagement or insufficient supervision of employees' work hours, all of which can be attributed to the staffing issues noted in this report.

Like other offices in Chicago, this postal unit lacks the number of employees needed to provide prompt, reliable, and efficient services to postal patrons. Of course, this was pre-pandemic.

Fast-forward to February 1 of this year and the OIG conducts another audit at the request of Congressman Bobby Rush. This

time it was four units on the South Side of Chicago. The results are eerily similar: delayed mail, improper scanning, inaccurate reporting of mail conditions, and below-par employee availability directly related to staffing.

These stations are not anomalies, but rather, the status quo of the Chicago Post Office. As recent as August of this year, an average of 100 to 200 full and/or partial routes were not getting delivered in Chicago daily. Each route accounts for up to 1,000 delivery points. These reports of delayed mail are based on the firsthand account of carriers on the workroom floor, because as noted by the OIG, postal management data is consistently unreliable.

They no longer manage operations to provide the maximum degree of effective and regular mail service. They are managing to provide misleading reports to appease upper postal management. These same reports are then given to the congressional offices seeking answers to constant complaints by your constituents. We know their complaints because we are postal customers too.

The understaffing and mismanagement of the Chicago Post Office have taken a toll on our dedicated work force, and letter carriers are tired. We are tired and we are embarrassed. We are tired from working multiple assignments late into the night, because despite the OIG reports, local management has failed to properly staff the operations for which it has been entrusted. We are tired of monitoring our check stubs due to the rampant timecard fraud by Chicago postal supervisors. We are tired of the disrespect on the workroom floor that is shown to postal workers who have worked this past year through a deadly pandemic, yet there is total disregard for our personal safety.

Letter carriers and clerks are the face of this organization, and we are embarrassed by what the Postal Service has become. Our members come to work every day in a uniform that represents a tainted product because the Chicago Post Office is in utter disarray.

Although recent reports provided to congressional offices by this union indicate improvement in some delivery areas, we are of the belief that this is not sustainable. From the flawed onboarding process, training, and retention of new hires to the erratic and unpredictable daily operations, the Chicago Post Office is dysfunctional at best. Although the OIG reports provided detailed recommendations to improve service, nothing changed because there is no real accountability. We hope that this hearing today will move us toward that accountability and improve the service to our customers.

Thank you, and I am prepared to answer any questions that you have for us.

Mr. CONNOLLY. Thank you so much, Mr. Julion.

We're now going to go into direct questioning by members. I'm going to ask all of my colleagues to follow the same discipline you've shown in opening statements. Everyone gets five minutes. I'm going to have to be fairly strict because we have 17 members who are going to be exercising their right to ask questions. So, we're going to have to move along smartly, and I would ask our witnesses to try to be concise in their answers as well.

The chair now calls on the distinguished chairwoman of the full committee, Chairwoman Carolyn Maloney, for her five minutes of questioning.

Chairwoman Maloney.

Mrs. MALONEY. Thank you so much, Chairman Connolly and Danny Davis, for calling for it, and all my colleagues from Illinois. What an incredible show of support and caring for the post office.

I want to thank all of our witnesses for being here today. We appreciate all that you do for the Postal Service and the American people.

As we have already heard this morning, the Postal Service has not been living up to its responsibilities to deliver mail on time, and, for many, this is not merely an inconvenience but a life-threatening concern when medications are delivered late or lost entirely.

It is obvious that mail is not being delivered on time, yet, in many cases, it is unclear how long mail is taking to be delivered in different locations. That is why the Postal Service Reform Act includes a provision to require the Postal Service to provide weekly updates on service performance on a public-facing website.

Mr. Morgan, would increased transparency about where mail is not being delivered on time help you better target areas that need additional attention and resources so that we could improve mail delivery?

Mr. Morgan.

Mr. MORGAN. Thank you for the question, Representative. I do have increased transparency. We have new dashboards, and those dashboards provide life—

Mr. CONNOLLY. Mr. Morgan, can I interrupt one second? Would you just bring that closer so we can hear you?

Mr. MORGAN. Sure. Can you hear me now?

Mr. CONNOLLY. Yes. Great, great.

Mr. MORGAN. Awesome.

Yes, ma'am, we do have reports currently that helps us stay transparent. Our dashboards are live, meaning our letter carriers carry a scanner with them that feeds back live information that is critical information that helps us understand when we could possibly have a delay. We have those reports, coupled with office visits and audits to help us.

Mrs. MALONEY. So, when you see that there are delays, do you assign more personnel? How do you address the delays?

Mr. MORGAN. When we learn of a delay, we shift our flexible work force. So, with—from the surrounding offices in the city, we move the available work force to fill the gap.

Mrs. MALONEY. Thank you.

I also believe more oversight from the Postal Regulatory Commission is needed over the Postal Service and pricing changes the Postal Service is implementing. I plan to introduce a bill that would strengthen the Commission's oversight of the Postal Service. In particular, if a Postal Service tried to make a change without fully testing it, as DeJoy did, the Commission would be able to request additional information before issuing an advisory opinion.

The bill would also require a two-thirds vote of the Postal Service Board of Governors to implement a change if the Commission de-

termines it did not have enough testing to prove that it will benefit the American public.

Mr. Julion, would increased checks on the Postal Service be helpful to ensure the Postal Service only makes changes to their prices and services after they have gathered sufficient evidence that it's in the best interest of the American people?

Mr. Julion.

Mr. JULION. Yes, thank you. I believe increased oversight at every level of the Postal Service can only help improve performance.

Looking specifically at the Chicago Post Office, and the OIG reported, that the problem that they had was that a lot of the information, the transparency that Mr. Morgan just referred to, was indeed absent. In fact, their ability to accurately document mail that's not being delivered is a big problem in the Chicago Post Office.

Mrs. MALONEY. OK. And, Mr. Julion, what resources and support do you and your letter carriers need to get the job done on time?

Mr. JULION. Right now, we blatantly need more carriers out there on the street. Using the postmaster's own metric in a recent correspondence where he stated that they were fully staffed to the extent of having 4,000 letter carriers in the Chicago Post Office, our records indicate the number is more like 3,500. So, their ability to move resources as needed is limited. And we know that there are many offices. In fact, I provide reports daily or at least weekly to the Chicago delegation on mail that is not being delivered. And as recent as yesterday, we still see close to 100 full or partial routes not being delivered, but it's also not documented by postal management.

Mrs. MALONEY. OK. So, the American people deserve better from the Postal Service. I look forward to working with you to ensure that we turn this situation around and get mail delivered on time.

My time is expired, and I yield back.

Thank you all of the participants.

Mr. CONNOLLY. Thank you, Chairwoman Maloney.

Mrs. MALONEY. Thank you.

Mr. CONNOLLY. And we look forward to working with you on this latest bill with respect to the PRC.

Our acting ranking member, Mr. Keller, is recognized for his five minutes of questioning.

Mr. Keller.

Mr. KELLER. Thank you, Representative Connolly.

I appreciate the opportunity to be here, and I just have a couple of questions.

Mr. Morgan, first, thank you for your service. And I say that to all our postal employees. I really appreciate the work that you do on behalf of the American people.

Mr. Morgan, you've been 24 years with the Postal Service, and you've, as I see your biography and what I'm looking at, you've been in Kansas City. You've been in the Arizona district. So, you've been to many, many areas in the Postal Service. And then you mentioned about things that you were doing here in Chicago.

Some of the things you're implementing here, have you done that throughout your career in the Postal Service when you were at different locations, working on customer service?

Mr. MORGAN. Yes, sir, I have.

Mr. KELLER. So, you—does the Postal Service do benchmarking to see which locations have higher rates of customer satisfaction and implement those policies across the board where other post offices might not be reaching that level of customer service?

Mr. MORGAN. Yes. We have benchmarks, we have reports, and we do know where we have concerns and issues. And we do utilize the processes that are working around the country, and we share that information to provide better service and world-class service to the American public.

Mr. KELLER. Another question, because you mentioned in your testimony, that you had employees that came in and the mail hadn't arrived yet, so they were—and no fault of their own. I'm not faulting them. But then you adjusted some of those times. Had you done that previously in your experience working at other locations, made some of those adjustments?

Mr. MORGAN. Yes, sir, I have.

Mr. KELLER. Over the 24 years?

Mr. MORGAN. Yes, sir.

Mr. KELLER. OK. So, the things that we're looking at to deal with customer service don't lead back to Postmaster DeJoy; it leads back to a bigger issue where these things aren't being implemented across the board, because you just got to Chicago, being here 24 years and having done some of these same things. It seems like we really need to have a clear path forward in how we address these issues, because, as you mentioned, you came in earlier this year and implemented these things that might have been done at other locations in some cases years in advance?

Mr. MORGAN. What I would say, sir, is that I can't speak for what happens on the national level. I came here. I was asked to come to Chicago to help improve service. Upon my arrival, I analyzed what was going on. You are correct, I have 24 years of service, and I enjoy my work. I love providing service to the American people. There was one glaring issue that I—that stood out amongst all of the data, and it was our employee availability.

And so when you talk about our start times, let's speak about that, our start times was misaligned. The mail arrives at a set time. And if we're not starting at that right time, we're wasting work hours. By adjusting the work hours to the workload or the work need, we gain more hours.

Every letter carrier, every postal employee has a maximum of 12 hours that they can work. So, I'll give an example. If we start at seven o'clock, the mail arrives at nine o'clock, and the carriers are on the clock at seven, we've lost two hours where we've lost the ability to deliver mail. By adjusting the start time, improved our delivery.

Mr. KELLER. If I could ask a question. So, that start time that you're talking about, how many years had they been starting at the same time with the mail arriving later? I mean, is that something that just changed recently, or has that been going on for a period of time? How long before you arrived had that been going on?

Mr. MORGAN. Sir, I can't answer about what they've done in the past. I just know this is what, when I came in, after analyzing the data, this is what I learned. And then that's what we moved to start to address.

Mr. KELLER. And did you do similar things like that at other locations over your career with the post office?

Mr. MORGAN. Yes, I have.

Mr. KELLER. So, because I've heard a lot of people talk about how the Postal Service's performance metrics are a result of what Postmaster DeJoy has done, and that clearly is not the case if for 24 years you've had to come in to places and improve the customer service. It certainly, to me, leads to a bigger issue of the Postal Service implementing the best practices at all locations to ensure that there's on-time service.

I mean, so looking at this, I would say that you're adjusting the start times. The Postmaster—does the Postmaster tell the different mail facilities, whether it's in Chicago or Detroit, what time they have to start their employee staff or control that, or is that up to the person at each location?

Mr. MORGAN. Are you asking if Mr. DeJoy instructed me to change the start times? Is that what you're saying? Or does he instruct—

Mr. KELLER. What I'm saying is, does he set the start times? Does he set the start times or does he allow the managers at each area to manage the postal—I mean, I guess the point I'm making—and I'll just be blunt with it. The point I'm making is these problems existed before Postmaster DeJoy came in. And like with any big organization, it takes time to get things going in the right direction. And you're doing that, and I compliment you for that. But wouldn't that be an accurate statement that a lot of these problems existed—

Mr. CONNOLLY. The gentleman's time has expired, but Mr. Morgan may answer.

Mr. MORGAN. What I can say is I can't—again, I can't speak of nationally. But locally, I can tell that I've been a Postmaster here in Chicago, Kansas City. I've been Arizona, Michigan. And I set the start times according to the data everywhere. No one gives me that direct instruction. That's in my purview or my authority to set those times, and that's what I did.

Mr. CONNOLLY. Thank you, Mr. Morgan. And thank you, Mr. Keller.

Mr. KELLER. I just want to followup with that because it's an important thing to show—

Mr. CONNOLLY. Mr. Keller—Mr. Keller—

Mr. KELLER. No, Mr. Connolly, everybody's trying to blame the Postmaster.

Mr. CONNOLLY. Mr. Keller, I get—

Mr. KELLER. It's not the result of his actions per se.

Mr. CONNOLLY. We get your point, and your time has expired.

Mr. KELLER. It's many more things.

Mr. CONNOLLY. Mr. Keller, your time has expired.

Mr. Julion—

Mr. KELLER. That's because people don't want to hear it.

Mr. CONNOLLY. No, we heard it loud and clear. In fact, maybe you could listen for a minute.

Mr. JULION, Mr. Keller's trying to make the point that all of this problem began long before Mr. DeJoy, and he has virtually nothing to do with it. In fact, he's solving problems.

Now, I—before I call on Mr. Davis for his five minutes, I got to say, maybe I'm suffering amnesia. Let's take overtime. We're in a pandemic, and a lot of members got sick. Some, sadly, died. That meant we had to do something, either hire more people or allow more overtime so the job got done. Is that correct?

Mr. JULION. That is correct.

Mr. CONNOLLY. And who sets overtime policy?

Mr. JULION. Well, the overtime policy is set by our collective bargaining agreement.

Mr. CONNOLLY. Yes, but did Mr. DeJoy, when he became postmaster general, actually halt overtime when he took over in July?

Mr. JULION. I believe that there were some directions given to postal management, but we—

Mr. CONNOLLY. By the postmaster general, which had a direct impact on quality of service.

And, second, again, maybe I've got amnesia. Weren't there, in fact, opinions that were issued by Federal judges to roll back Mr. DeJoy's so-called reforms because they were injurious to Postal Service, and they cited that it was directly political, that it was aimed at affecting an election that was pending in November 2020? Is that not the case?

Mr. JULION. There was some judges' decisions on that.

Mr. CONNOLLY. Ah, yes. I just wanted to make sure for the record I got that right. Thank you.

Mr. Davis is recognized for his five minutes.

Mr. DAVIS. Thank you. Thank you, Mr. Chairman. And thank you again for bringing this hearing to Chicago. I thank all of the witnesses for your testimony.

Mr. JULION, let me ask you. You mentioned that poor staffing was a key reason for the longstanding—longstanding meaning long period of time—degradation of service in Chicago. I understand that service hired 243 city carrier assistants and other support employees to address the shortage. What was the letter carriers' position relative to that action?

Mr. JULION. Well, basically, we felt, and we still feel—basically, our position has been that the staffing has been inadequate prior to the pandemic, during the pandemic, and even now. By their own admission in the most recent meeting we had with them, they stated that they were at least 500 carriers short—or it was their objective to hire 500 additional carriers in the upcoming months.

Mr. DAVIS. Have they given any reasons why they have not been able to hire?

Mr. JULION. I don't know if it's just the inability, the lack of people ready in the work force. But what we are seeing is a poor onboarding process that have people who have been told that they were being hired by the post office not being brought on. The training is wholly inactive—inaccurate and unacceptable. We're seeing those who are not properly trained put out on the streets before

their time. And because of that, they're having a problem with the retention.

Mr. DAVIS. Thank you. Thank you very much.

Ms. Perez, in your testimony, you highlight operational changes made across the country, as well as COVID, as causes for absences and for some work force participation. And I've heard this morning that maybe paid family leave might also be. And as a hard-nosed, staunch supporter of paid family leave, could you share what it really came up with as the causes for absence, that employees were not coming to work?

Ms. PEREZ. As far as the employee absences, as noted, the low employee availability hit Chicago particularly hard. With regards to the post office that we have looked at, the four post offices here in the Chicago area, the—what they did is then they prioritized the delivery of the mail and with the employees that they did have available. And so the, you know, fundamental procedures that the Postal Service has, the—they didn't always have the time to, you know, address, for example, scanning of packages or, you know, reporting the delayed mail.

So, you know, as far as, again, the employee availability, I would say that it is as a result of the pandemic, the leave that was offered to the employees through the different acts that were passed.

Mr. DAVIS. And they were having problems before there was a Federal paid family leave program?

Ms. PEREZ. Yes, sir. Chicago, as we noted, has been one of the, I would say, lowest-performing locations across the country for quite sometime. And, again, we do have ongoing work, not only looking at, you know, delivery issues, but as I mentioned in my opening statement, looking at some of the lower-performing processing facilities to determine whether or not there's additional challenges upstream of the delivery units that we can hopefully identify and provide recommendations that the Postal Service can address.

Mr. CONNOLLY. Thank you very much.

Mr. Chairman, I yield back.

Mr. CONNOLLY. I thank the gentleman.

The distinguished Congresswoman from Michigan, Ms. Lawrence, is recognized for her five minutes of questioning.

Ms. Lawrence.

Mrs. LAWRENCE. Thank you so much.

Mr. Morgan, I want to just emphasize in your statement why the need for leadership from the top is needed. You can't cherry-pick across the country with particular leadership and every manager going in, setting their own agenda. And one of the things that we hear is that this plan is supposed to lower the standards. And I hear your passionate commitment to improving the standards, but we have a postmaster general who on the record wants to lower the delivery standards, and we're hearing the outcry from the community.

I want to ask Ms. Perez. You are responsible to look at and make recommendations for the Postal Service, for their accountability and their overall effectiveness. Can—what can the inspector general do in providing oversight or accountability for this 10-year plan?

And I wanted to add something to that. When the Postal Service does not adhere to the recommendations of the IG, what—what happens then? So if you, as you have, outlined all these issues—and Michigan has been one that has been subject to audits and recommendations are being made, but I don't see them being followed by this current postmaster general. What is the proper oversight to ensure that not—so we don't have to hire 100 Morgans to go around and try to figure it out on their own and set standards and change deliveries processes and start times, which every—that should be a national standard.

So, what—where is your power? And what do we need to do to ensure that we're living up to what the expectation of the Postal Service is?

Ms. PEREZ. Sure. To answer your first question with regards to the oversight of the 10-year plan, Delivering for America, we have identified several audits that we will be soon launching or have recently launched that will look at different initiatives that the Postal Service has identified, and we'll be providing robust oversight and watching those initiatives closely.

One particular audit that we recently announced is looking at the aggregate of the plan with regards to the underlying assumptions in the 10-year plan, as well as how the Postal Service will implement and measure performance.

To answer your second question with regards to when we make recommendations, we have a robust process with regards to the Postal Service being required to provide us with support and evidence with regards to the measures that they've taken to implement the recommendations, and we do not close recommendations until we're satisfied that the intent of the recommendations have been implemented.

Mrs. LAWRENCE. Do you report to Congress when your recommendations are not followed or they're—you see in the reports that they're not—they're not being—implementing the change that you're recommending?

Ms. PEREZ. Yes, ma'am. We do through our semiannual report to Congress, we do call attention to the recommendations that have not been implemented.

Mrs. LAWRENCE. So, again, I wish I had someone here from the Board of Governors or from the leadership of the Postal Service. But if we implement this 10-year plan, in lowering the standards, all these issues that were brought up by the National Association of Letter Carriers, by Mr. Morgan, who's a Postmaster, how is that going to improve the delivery? It doesn't improve it. That's what's so staggering about that. The plan does not improve the service that all of us as Members of Congress are hearing from the public.

So, you're saying that if you're supposed to get a four-year degree and you refuse to get it, let's reduce it down to two years, and then you'll be eligible for a four-year degree. It is mind-boggling to me that the leadership—

Mr. CONNOLLY. And will charge you more for it.

Mrs. LAWRENCE [continuing]. Of this organization is continuing to lower the standards.

I thank you, and I yield back.

Mr. CONNOLLY. And, Ms. Lawrence, forgive me for interrupting, but I was just adding to your point about lowering that standard from a four-year degree to a two-year degree and will charge you more for it.

Mrs. LAWRENCE. Exactly. In addition to that.

I'm sorry. The dots, they're just not connecting.

Mr. CONNOLLY. Yes. Thank you so much.

The distinguished Congresswoman from the great state of Illinois, Robin Kelly, is recognized for her five minutes of questioning.

Ms. KELLY. Thank you again, Chairman Connolly, for holding this hearing. And thank you to all the witnesses for taking the time to be here today.

Postmaster Morgan, as I mentioned in my opening remarks, on-time delivery for my district is down almost 20 percent since Postmaster DeJoy took over USPS. We have reports of mail being marked as delivered when they were not and mail taking months to deliver, and just different things you've heard today. And I understand you have not been overseeing the Chicago Post Office for all of this time, but what do you attribute to the delivery being down 20 percent? And I know you said you put in changes. And how long do you think it'll take to improve the mail delivery?

And let me just get my other question to you. And what can we do? What more can we do to help you and actually other postmasters around the country implement the OIG's recommendations? So, what help can we give you?

Mr. MORGAN. First of all, thank you for the question. When you ask, I want to make sure I understand it. Basically why, why are there delays in your region?

Ms. KELLY. Uh-huh.

Mr. MORGAN. Part of my analysis, I wanted to know that answer as well. Why? And so you look at—I'll use an example. If there is 40 assignments in a building and I have 60 employees scheduled there, I look at that, and I believe that I should—I'm properly staffed and should be able to carry out the mission. What I learned was I have the staffing on record. I have the staffing. So, if that building has 40 carriers, I have 60. So, to say that I have a staffing problem would mean that I only have 20. That's not the case. I have the employees on the rolls. We have an attendance problem. So, that is where my focus is, is addressing those unscheduled absences.

What I—what I would like Congress to do is to assist us, you know, continue to assist us with the—your networks, with our job fairs, our hiring, and also supporting a Delivering for America plan.

Ms. KELLY. So, it sounds like you attribute it to not really having the staff that supposedly you are supposed to have and, also, there is an attendance problem with the staff you do have.

Mr. MORGAN. The staff—I don't say that we have a staffing problem.

Ms. KELLY. Oh, you don't. OK.

Mr. MORGAN. I don't. We do not have a staffing problem.

Ms. KELLY. It's the attendance.

Mr. MORGAN. We have an attendance problem. And, therefore, it's hard to deliver the mail when those that I have already hired, trained, and expect to come to work do not.

Ms. KELLY. OK. Thank you.

I do want to shift to how labor shortage or—well, I'll get Mr. Julion's take on it—is affecting the post office. Obviously, we have seen the nationwide labor shortage and have been cited as the reason for slower mail delivery as postal staff is being stretched thin. And we do have job fairs and we did have the post office there.

Mr. Julion, as the union rep for the National Association of Letter Carriers, can you discuss how this has impacted letter carriers and post office? And what is your comment about the attendance issue?

Mr. JULION. Well, let me just say, like Postmaster Morgan here, I've been a letter carrier for 24 years myself. And when I started as a letter carrier, there was a sense of urgency in getting the mail delivered. We delivered everything everywhere every day. As one manager told me, we do not warehouse mail, we deliver mail. That's not the same mindset in the post office right now.

The rules of our collective bargaining agreement in the workplace has not changed in 24 years. If people don't come to work, you discipline them. You get more carriers. That is a reality that's not happening in the Chicago Post Office. He may be correct that their rolls reflect that they have enough carriers. But as the OIG pointed out, they don't keep up with their rolls. They have people on the rolls who no longer work for the Postal Service. They've been firing people recently who have already quit the post office, in an effort to clean up their rolls. There's a definite staffing issue in Chicago.

And the most important metric we have to look at is not how much time we're saving in the office but whether we're getting the mail delivered. That is our objective, delivering the mail. That's not the objective of the current Chicago Post Office, not how much time we're saving in the office but whether the customers are getting their mail. And you know what your constituents are saying. They're not lying. They're not getting their mail.

Ms. KELLY. And what would you say about the morale of people that work in the post office?

Mr. JULION. The morale right now I would have to say is pretty much at an all-time low, and it's directly related to the start time. You have carriers doing everything they can with a shortened work—short work staff who have worked through a pandemic, who are trying desperately to get the mail delivered. And now you've compressed their hours of operation by shortening their day. Yes, we have 12 hours to deliver the mail, but if you don't have enough carriers to get it done, it won't get done.

It's not so much that the mail is arriving late. It is the process—it is getting—not getting the mail to the station on time. And they're managing to the problem as opposed to fixing the problem in terms of getting the mail to the station earlier. Then we can keep our same starting time and provide efficient service.

Mr. CONNOLLY. Thank you.

Ms. KELLY. My time's up. Thank you.

Mr. CONNOLLY. Thank you very much, Ms. Kelly.

And if I might followup on a point you made, did I understand you to say, Mr. Julion, that the OIG found that one of the attendance problems is that we're still showing here in Chicago people holding jobs who, in fact, are no longer holding those jobs?

Mr. JULION. I believe that was in the initial report that I cited.

Mr. CONNOLLY. Is that correct, Ms. Perez?

Ms. PEREZ. Yes, it is. Yes, sir.

Mr. CONNOLLY. Can somebody help with this mic?

Is that correct?

Ms. PEREZ. Yes, sir. Oh, there we go.

It is correct. We did find that in our February 2021 report that employees that were not no longer with the Postal Service and not showing up to work were not being removed from the rolls. However, as I mentioned earlier, when we closed recommendations, we're provided evidence from the Postal Service with regards to actions taken. So, as of March 2021, we did receive some evidence that they had removed some employees from the rolls. But we haven't done additional work in that regard since then.

Mr. CONNOLLY. Mr. Morgan, do you want to comment on that? Because this is something you inherited presumably. That seems like a fairly simple problem to fix. You said it's not a staffing problem, it's an attendance problem. Well, if I'm a staff member who's left or quit, presumably you're right. My attendance is not perfect because I'm no longer working there. Have we fixed that problem?

Mr. MORGAN. That is being addressed. You are——

Mr. CONNOLLY. Being addressed.

Mr. MORGAN. That is being addressed, correct. I have——

Mr. CONNOLLY. That's a historical present tense.

Mr. MORGAN. OK. So, let me explain. What I inherited is—I'll use an example of 35—let's call it 3,700 carriers. We have an attrition rate. So, those that worked with us and resigned, unlike—we have a collective bargaining agreement, so we have to take them off the rolls in a particular way. That being said, those numbers are minute, very minimal. The staff that we have, as we're improving, since my arrival, we're up about just about 13 percent if you go up. And those employees are coming back. So, those aren't employees that were on the rolls and they quit. Those were employees that had attendance issues that we are addressing, and they are now back to work and is reflective in the service——

Mr. CONNOLLY. Which is a different issue.

Mr. MORGAN. That's—that's—no, that's addressing the staffing.

Mr. CONNOLLY. No, I mean, that's not people who left and——

Mr. MORGAN. Correct. Correct.

Mr. CONNOLLY. Yes.

Mr. MORGAN. Those who are on the roll but are not coming to work.

Mr. CONNOLLY. Great. OK. Thank you.

The distinguished vice chair of the Government Operations Subcommittee, the Congresswoman from California, Katie Porter, is recognized for her five minutes of questioning.

Ms. Porter.

Ms. PORTER. Thank you very much, Mr. Chair, and thank you for convening this important hearing.

Ms. Perez, your office, the Office of the Inspector General, released an audit of the Postal Service in September of this year. And, basically, they graded the U.S. Postal Service on its ability to deliver mail on time. And the audit found that by the spring of 2020, mail delivery was right around 92 percent. That is, about 92 percent of the mail got there within the standard of on time. That dropped to 80 percent by the fall of 2020, and by January 2021, was hovering at around 61 percent.

I realize this has gone up somewhat since then, but I wanted to ask you: When did Mr. DeJoy take over as Postmaster? Do you know?

Ms. PEREZ. The summer of 2020.

Ms. PORTER. The summer of 2020, so June 2020. And what happened after he took over? Did the rate of on-time mail delivery go up or down?

Ms. PEREZ. Went down.

Ms. PORTER. And I'm a professor, and I used to grade—do a lot of grading. And 92 percent is considered widely, like, an A minus. A-B is considered hanging on, hanging on to the lowest possible B. Sixty percent is, at best, a D minus.

The Postal Service delivers 48 percent of the world's mail. It is an institution. It is a civic treasure. And we let it get all the way—what we found is we let it get all the way to that D-minus level. How, in your opinion, did this happen?

Ms. PEREZ. So, yes, last summer when the Postmaster arrived, he had implemented several measures and operational changes, along with 57 additional initiatives that were implemented by the postal executives. And it was in order to improve service, as well as ensure financial stability. And as we all know, those initiatives were rolled back a few months after that and prior to the 2020 general election.

But one of the things we had found with regards to the rollout of those operational changes, as well as the rollback, was that there was inconsistent communication amongst the Postal Service employees. So, it, you know, it led to having, you know, issues and challenges with regards to consistent implementation of those initiatives across the board and across the country.

Ms. PORTER. So, to summarize, after Postmaster DeJoy took over, he began to make changes. And what followed from those changes was this precipitous decline. And what we ended up with was postal delivery that was borderline failing, because we had a Postmaster who, in my opinion—I'm not saying you said this—but, in my opinion, was failing and continues to fail today.

I wanted to ask you about something else that you—in your testimony, which is your office talked about employee availability. Why weren't postal facilities prepared to manage their workload when workers went on paid leave?

Ms. PEREZ. That—that's a good question. I respect that question. As far as, you know, why wasn't the Postal Service prepared for it, I think that would be better asked of the Postal Service.

When we do go out to different facilities or delivery units, we do analyze the postal data to determine what employee availability is like as far as percentages of employees that are available to conduct their jobs and process and transport and deliver the mail. But

it is definitely one of the causes as things had exacerbated during the COVID-19 pandemic as far as the hindering the Postal Service's ability to deliver the mail on time.

Ms. PORTER. I mean, it seems to me that postal workers are going to have—they're going to get sick, they're going to have family members who get sick, they're going to have children, they're going to have medical issues, and that we ought to be planning for this paid leave.

One of the recommendations you made is to increase employee engagement, try to retain these workers. And I think that paid leave is one of the tools we have to maintain people's connection to their workplace as they go through these transitions.

Mr. Morgan, I just wanted to turn to you for one second. This is a map of service delivery standards based on mailing things from my area, the Santa Ana area. I am hard-pressed to understand why it is almost faster for me to walk my mail halfway across the country than it is to deliver it through the Postal Service.

Mr. CONNOLLY. The gentlelady's time has expired, but Mr. Morgan may respond to the question.

Mr. MORGAN. I am not aware of the Congresswoman's area, so I can't answer that.

Ms. PORTER. Is it fast—well, I'll yield back. But I just want to say that it takes 9, 8 days to deliver mail from Santa Ana to Portland, Oregon. And I'm not that fast of a walker. I'm not in that good a shape. I could walk there in 13 days. So, you're not even having the walk time with postal delivery.

I yield back.

Mr. CONNOLLY. Thank you, Ms. Porter. Your time has expired.

Mr. Krishnamoorthi, you are recognized for your five minutes of questioning.

Mr. KRISHNAMOORTHI. Thank you, Chairman.

Mr. Julion, in your testimony you said, "We are tired of the disrespect on the workroom floor." What are you referring to?

Mr. JULION. Well, it is well-known within the Postal Service that there is, in some workplaces, an unhealthy level of hostility in the workplace when you're trying to get more out of less, when you don't have enough employees, and you're making unreasonable demands of those who are at work every day.

Mr. KRISHNAMOORTHI. And have you brought this to the attention of your—of the management of USPS?

Mr. JULION. This indeed has been brought to their attention. In fact, I believe we still have a work—a task force in place on a national level dealing with the hostility on the workroom floor.

Mr. KRISHNAMOORTHI. I think that in an interview with WGN earlier this year you said, "We had staffing issues prior to COVID." And so is it fair to say that we—you were understaffed at USPS prior to the pandemic?

Mr. JULION. Yes, it's fair to say that. And, in fact, I believe the complaints that you get from your constituents predate the pandemic. And a lot of them will say that the troubles that they had—in fact, the town hall meetings, a lot of them that we were involved in with Congressman Davis and with Congressman Rush were pre-pandemic. And they had the same issues at that time.

Mr. KRISHNAMOORTHI. Very good.

Ms. Perez, in your testimony, you say that two of the lowest performing mail processing plants in the country are in greater Chicago. So, 20 percent of the lowest processing plants in the country are in Chicago, correct?

Ms. PEREZ. That's correct, according to the Postal Service data that we analyzed.

Mr. KRISHNAMOORTHY. And you also said that Chicago—on page two of your testimony, Chicago had the second worst service score of all the postal districts in the country for two-day letter mail. Isn't that right?

Ms. PEREZ. Yes, sir.

Mr. KRISHNAMOORTHY. I have a poster board with me which illustrates what we're dealing with here in the Chicago area and the country. And so, basically, what this illustrates is the change in postal delivery standards. Before October 1, if you were in my ZIP Code 60193, before, right here, you could expect to send a piece of mail by first-class mail, basically in the Great Lakes region, certainly including the Chicago area, and have it reach in two days. That's this light blue area, and then the rest of the country was three days. Isn't that what this is showing?

Ms. PEREZ. Correct.

Mr. KRISHNAMOORTHY. And today, if you look at what was implemented on October 1, that same two-day service standard area has shrunk to Chicagoland and part of Wisconsin. Is that right?

Ms. PEREZ. Yes, sir.

Mr. KRISHNAMOORTHY. And then the part of the country that is three-day has now gone to this region of the country, basically the Eastern Seaboard and the Great Plains, and the rest is 4 and 5 days. Isn't that right?

Ms. PEREZ. Correct.

Mr. KRISHNAMOORTHY. So, why is it the case that, when a constituent comes to me and says that a piece of mail was sent from Northbrook, Illinois, which is in the greater Chicago area, to another part of the Chicago area, namely, Evanston, it took three weeks? How could that be?

Ms. PEREZ. So, again, as we noted in several of our audit reports, it's oftentimes that there are challenges that are faced by the Postal Service with regards to whether it's at the delivery unit, but it could also be at the processing center or within the transportation.

Mr. KRISHNAMOORTHY. Could it be that, because we have some of the worst performing plants in the country and some of the lowest service scores in the country, that it's only logical that we would have some of the lowest delivery standards in the country?

Ms. PEREZ. So yes. We'll be looking at those two plants that we mentioned—that I mentioned in my opening statement—

Mr. KRISHNAMOORTHY. And now we're going into the holiday season—

Ms. PEREZ. Correct.

Mr. KRISHNAMOORTHY [continuing]. Where we're about to see a ton, tons and tons and tons of parcels and pieces of mail and holiday cards go through this very system, and here we have a Postal Service that's not ready to handle it.

And so what I'm trying to get at, Mr. Julion, is, do you think that we're ready for this holiday season?

Mr. JULION. No. We're not.

Mr. KRISHNAMOORTHY. Well, thanks for your candor. Now tell us what needs to be done to get ready for the holiday season right now because I know a lot of families are really hoping for a little bit more normal of a holiday season in terms of postal delivery.

Mr. JULION. To get ready for the holiday season, this holiday season?

Mr. KRISHNAMOORTHY. Yes, sir.

Mr. JULION. You should have started this summer. I mean, right now, we're on path to get ready for Easter. When you're talking about bringing people on board and properly trained to deliver the mail, it takes time. So, that's why the staffing issue was important prior to the pandemic because, once the pandemic hit, we were already exposed, and we were already in a place that we were not going to be able to handle it like we're not going to be able to handle the upcoming holiday season if we're not properly staffed.

Mr. KRISHNAMOORTHY. We're not ready.

Mr. JULION. We're not ready.

Mr. KRISHNAMOORTHY. Thank you, Mr. Julion.

Mr. DAVIS. [Presiding.] Thank you, Mr. Krishnamoorthi. Your time has expired.

The chair now recognizes Mr. Quigley for five minutes.

Mr. QUIGLEY. Thank you, Mr. Chairman.

Ms. Perez, you talked about the mail not being fully sorted before it gets to the carriers. Why is that the case? What is not happening?

Ms. PEREZ. So, oftentimes, we find at the processing center, as I mentioned, they may also have employee availability issues or other, you know, procedural things that they're not following at the processing center, and they often deploy the mail down to the delivery unit without it being sorted in what's called carrier sequence.

Mr. QUIGLEY. And they're told that's OK, your understanding? It's out of procedure, right?

Ms. PEREZ. Correct. That is out of procedure. My understanding is, based on the location of the country and the availability of the staff at the delivery unit, they may have the time to sort the mail into carrier sequence or they may not. So, I do believe it's a case-by-case basis across the country.

Mr. QUIGLEY. Well, let me ask, Mr. Morgan, what's the case here in Chicago? The question had to do with the mail not being fully sorted before it gets to the carriers.

Mr. MORGAN. The letter carriers receive their mail in various forms. Since my arrival, do we have a challenge here and there? Yes. Do we have a problem? No. But before—I would like to go back for a quick second, and I want to ensure that everyone understands from my perspective as the Postmaster of the city of Chicago, I am ready for peak season. I ask that our employees that are on the rolls, please come to work. We are staffed. We have the availability—

Mr. QUIGLEY. Sir, I want to get to that, but I want to stay on this stream. So, you're saying you think there's a problem, but it's being addressed?

Mr. MORGAN. No. I'm saying that—no, that's not what I'm saying. I can't speak nationally; what I can speak about is in Chicago—

Mr. QUIGLEY. That's all I'm asking.

Mr. MORGAN [continuing]. So, to say that does the mail come 100 percent prepared every single time, no. Is there a problem? No, there is not.

Mr. QUIGLEY. Sir, same question.

Mr. JULION. There has to be a problem if you're moving back the starting times because you're not getting the mail to the stations in a timely manner.

Mr. QUIGLEY. To your understanding, is the mail getting to the carriers not fully sorted?

Mr. JULION. It's getting to the carriers not fully sorted. And, in fact, there's a lot of carriers on the workroom floor who are doing clerk work because there are not enough clerks in these offices as well.

Mr. QUIGLEY. Very good.

Mr. Morgan, back to you. So, at least—there's, at least, some issue with the mail being fully sorted before it gets to the carriers. You're changing the whole structure, the management, and I get it. You're moving things back because you don't want people sitting around for two hours because the mail's not getting there on time. But, to your understanding, what has to happen—to get to the original point—that the mail is—the mail gets to the carriers that two hours earlier? You're delaying everything, and it's going to get dark sooner because it's not getting to you on time and it's not being, at least in some cases, fully sorted. So, you're managing around the problem at the beginning, which is what, I think, our gentleman from the union is trying to tell us. Can't we sort out the initial problem so you don't have to manage around it.

Mr. MORGAN. OK. I'm making sure it was on. Let me state, again, as an example. There's always going to be a first and someone's always going to be last. Someone's going to receive their mail first at four a.m., and there's going to be a unit that may receive their mail last at nine o'clock. Formally, Chicago was a district of its own. We're now—all of the area is now one district. The start time alignment has nothing to do with—it had everything to do with when the mail is available. So, on the trip—someone's going to get it first, so if the truck arrives at four—

Mr. QUIGLEY. Well, let me respectfully stop you. If you got the mail at the beginning of the day on time, you wouldn't have to manage around it, which pushes everything back to that person at the end who gets it in the dark. And I'm here to tell you, most the members will say, when things get delivered later, it's more likely that they'll be mistakes. But we also hear from carriers that they don't like delivering in the dark. They feel less safe, and it's more difficult to do the job.

So, back to the original question: If we could solve that two hours at the beginning and the issue that has been raised about the not being fully sorted, you wouldn't have to manage around it? I know you want to defend the Postal Service, and I know you're doing a good job. You're doing the best you can, but you got to describe it warts and all, sir. If we could solve that problem where you get

that mail and it's properly sorted two hours before, you wouldn't have to manage around it, right?

Mr. MORGAN. I'm not managing around it now.

Mr. QUIGLEY. It's supposed to get there two hours earlier.

Mr. MORGAN. It's not. That's a misunderstanding. It is not supposed to get there two hours early. Every facility has a mail arrival profile and a set time that the mail arrives. I changed the start times here to match the workload when the mail arrived.

Mr. QUIGLEY. And my time's up. You're managing around the original sin.

Mr. DAVIS. Thank you. Thank you, Mr. Quigley.

The chair now recognizes Mr. Rush for five minutes.

Mr. RUSH. Thank you, Mr. Chairman. This has been quite a hearing.

Ms. Perez, I want to thank you for your timely completion on the audit that I requested that you did in August 2020 and confirm the glaring issues around mail delivery that were also clear to my constituents. The audit found that nearly 16,000 delayed mail pieces was not reported to the customer service daily reporting system. And I was more concerned to learn that the Henry McGee and Ashburn stations did not report any—not one—delay in piece of mail despite having over 10,000 delayed mail pieces between them.

So my question, how does this underrepresented—how does this underreporting, rather, and lack of transparency around mail delays impact the ability of customers, and particularly low-income Chicagoans, to reliably track and receive vital items that they desperately need?

Ms. PEREZ. Sure. Can you hear me?

Mr. RUSH. No.

Ms. PEREZ. OK. So, when the mail is not accurately reported, it doesn't allow postal management to be able to adjust fire and implement mitigating factors to be able to address that so that constituents can get their mail on time.

Mr. RUSH. Mr. Julion, you and I have had many—hours and hours of intense conversation about the mail and delivery. I am interested in the national systemic issues that the U.S. Postal Service is confronted with, the DeJoy issues, but—elderly people in my district, they don't want to hear DeJoy excuses. And you and I have talked over the years about facing the leadership, and that was my most strongest disagreement with Ms. Prater. She just did not provide adequate leadership. And so—and I just want you to know that I'm looking at leadership, not excuses. I'm looking at, if there's a problem, then let's work together to solve the problem. I'm looking at veracity, people who are upfront, straightforward. Tell my constituents the problem. They're very intelligent. They can understand it, but they don't want to be lied to. Work with them and let's solve these particular problems.

So, Mack, I'm just going to ask you, you have—has there been a leadership change that you can pinpoint since Ms. Prater's departure?

Mr. JULION. Well, upon the departure of Ms. Prater, we still have the same district manager. In fact, the OIG report was addressed direct to the district manager Randy Stines, and he failed to address those issues. We have been willing to and open to working

with the new Postmaster. We told him that from day one. He may be put in a position to fail and not even realize that. I know we've had three area vice presidents in the last year, and the last of which has refused to meet with us.

So, we're trying to work with them. We compromised on some of the workplace issues. We expedited the bidding process. We created multi-unit assignments months ago, and some of them they still have not assigned employees to these assignments.

Mr. RUSH. Well, I also want to ask, Mr. Morgan, this attendance problem was a clear example of what I was concerned about. If you had people who don't show up for their job consistently, then you ought to fire them. What prevents you from firing people who don't show up?

Mr. MORGAN. Nothing prevents. What I would say is we have to do better on our side of the table in training our leaders to properly address that. We have a collective bargaining agreement. So, when it's time to address attendance issue, there's a process. And, even if the individual is guilty by their actions and if there's a gap in the process, the individual is retained because of a flaw in the process.

So, my responsibility is to train up my staff so they can properly address and know how to handle those cases when they're presented.

Mr. RUSH. Firing people who don't show up for work?

Mr. MORGAN. Addressing those who are unregular in attendance, correct—irregular in attendance. I apologize.

Mr. CONNOLLY. [Presiding.] Thank you, Mr. Rush.

And I would also add just listening to Mr. Julion say that there's a regional vice president who won't meet with union reps. Is that correct?

Mr. JULION. The latest area vice president I believe he's been in his position for approximately two months now, Eric Henry, and we have made multiple requests to meet with him because we're not getting results from the district manager.

Mr. CONNOLLY. Does that fall within your purview of responsibility, Mr. Morgan?

Mr. MORGAN. No, it does not.

Mr. CONNOLLY. It does not? OK.

Mr. JULION. Area vice president is over him.

Mr. CONNOLLY. Right. Right. So, I know that's going to concern every member of this delegation to learn of that, and if we can be helpful in facilitating that, let us know.

The distinguished gentlelady from the great state of Illinois, Jan Schakowsky, is recognized for her five minutes of questioning.

Ms. SCHAKOWSKY. Thank you.

Mr. Morgan, I have to stay local because we have a couple of real problems in my congressional district. I have a bunch of post offices, but just two of them, the Rogers Park and North Town have consistently—we've had townhall meetings. We have 200 postcards from the 50th ward just last week. I can't understand why these post offices have been so consistently bad and why we continue to have these delivery problems, which are really serious.

I mean, I hear about medication that isn't delivered, small businesses that are in real trouble because they aren't getting—so can

you somehow explain to me, and, by the way, you mentioned the criminal behavior in some of the communities, this is not true of these particular post office neighborhoods. What's the deal and why can't we—after a long time and particularly in this last year when we have literally thousands of complaints that we can't deal with this? How do you explain that this happens in just these communities?

Mr. MORGAN. I can't. I can't explain how it happened. One, I wasn't here. What I can say is, since my arrival, what I have done is, again, we hired additional staff to get to cap. I want to make sure so it's not that I'm contradicting myself. We continue to hire to address the attrition. Those who come on board go through the Carrier Academy, choose not to keep the assignment, and different things, what we have to do on the management side. I'll talk about the management side. We have to do better understanding our job, my staff is extremely new. We've attrited. We've had a lot of senior leadership retire out, and now we have new leadership. So, I have to bring them up to speed so they know how to properly run the facility, to do better running the facility and giving instructions.

Ms. SCHAKOWSKY. Well, let me ask you, Mr. Julion, as someone who's on the street all the time, how do we quickly address problems when there are particular problem areas like we are seeing in my congressional district? What can we do?

Mr. JULION. Well, first and foremost, we have to acknowledge that a problem exists. I believe in the first step program. The first step is admitting that there is a problem.

Ms. SCHAKOWSKY. Thank you.

Mr. JULION. We've had meetings with the Postmaster. The same reports that your office has received. He has stated that he do not believe those reports, that they are inaccurate. You get the complaints from your customers. You tell me are those reports accurate or not. I've invited him to meet me on any workroom floor and to see if mail was not being delivered. We have yet to meet on a workroom floor, but I understand recently he has been on several workroom floors, and he has seen for himself that mail is not being delivered, that mail was being hidden, in the case in Cicero. You were there recently, that he had to walk some managers and supervisors off the workroom floor because they are still falsifying information, stopping the clock on packages. You hear this from your customers—your constituents all the time, that a package was scanned delivered or attempted, and they were at home. There was no delivery or there—

Ms. SCHAKOWSKY. Some of my constituents are told it was delivered, even though it wasn't delivered.

Mr. JULION. Yes. I'm a customer, and I would go on the internet, and I'm waiting on a package, and they say it's delivered; I expect it to be at my home. The reality of it is it's not right now because they're still falsifying data. Let's be honest: No one is trying to put the Postal Service down here. I think there's no greater love for the Postal Service than us who work for the Postal Service. We know that, when we're at the top of our game, we're the best at what we do. We deliver for FedEx. We deliver for Amazon. We deliver for UPS. They come to us because we are the best. Right now in Chicago, we're not the best, but we can be the best. But we have to

have an honest assessment of the problem and be willing to work toward fixing it. We're willing to work with them toward fixing this problem.

Ms. SCHAKOWSKY. Well, and I want to work with you to make sure that we can clean it up in my community. And if I have a minute, I don't know if I do still—am I out of time?

Mr. CONNOLLY. No.

Ms. SCHAKOWSKY. Oh, OK. I just want to, again, ask Postmaster Morgan, I would like to just close with this question by asking that you provide Congress with a plan and a timetable for addressing the issues that are highlighted by the inspector general's report. Can we get a timeline and a report on how we're going to solve these problems in the Chicago area?

Mr. MORGAN. You're asking for a response to the OIG report, am I understanding you correctly?

Ms. SCHAKOWSKY. Yes.

Mr. CONNOLLY. The gentlelady's time has expired, but Mr. Morgan may respond.

Mr. MORGAN. I believe that we did have a response, but I will get with our government affairs team, and I'll provide an official answer for the record.

Ms. SCHAKOWSKY. Thank you.

Mr. MORGAN. You're welcome.

Mr. CONNOLLY. Thank you.

Distinguished gentlelady from the great state of Illinois, Ms. Lauren Underwood, is recognized for her five minutes of questioning.

Ms. UNDERWOOD. Well, thank you, Mr. Chairman.

And thank you to our witnesses for joining us here today. Today we've heard about unacceptable declines in service nationwide and specifically here in Chicago, but I also want to highlight what it means for the rural communities, like the ones in my district where USPS is often the provider of last-mile delivery.

Ms. PEREZ, has the Office of the Inspector General or USPS itself analyzed how the recent declines in service levels have specifically impacted rural communities?

Ms. PEREZ. We do have some ongoing work looking at that, and I believe it'll be issued later this fall.

Ms. UNDERWOOD. OK. So, going forward, has USPS developed a strategy to ensure that rural communities are not disproportionately impacted by reductions in service standards or other changes laid out in the Postal Service's 10-year plan?

Ms. PEREZ. Unfortunately, I don't have that information readily available, but I'm happy to provide it to you after the hearing.

Ms. UNDERWOOD. For the record?

Ms. PEREZ. Sure.

Ms. UNDERWOOD. OK. As part of the consolidation of district offices, USPS plans to combine the Chicago district with other parts of northern Illinois. Ms. Perez, as is the case with most regions, the Postal Service is a major employer—a source of good-paying, union jobs. Has there been an analysis of how this consolidation will impact the postal work force in northern Illinois?

Ms. PEREZ. I can't speak to that. I'm not sure.

Ms. UNDERWOOD. Will you get back to us for the record?

Ms. PEREZ. Yes, ma'am.

Ms. UNDERWOOD. OK Postmaster General DeJoy's 10-year plan involves raising prices while also cutting services. Ostensibly, the goal here is to save money, but this could have a major impact on small businesses operating on tight margins and could even drive more customers away from the Postal Service. Accelerating the reduction demand for U.S. mail could harm the long-term financial health and stability of the Postal Service.

Ms. Perez, has there been any analysis or modeling of the impact these price increases or lowering of service standards could have on consumer demand for first-class mail?

Ms. PEREZ. So, with regards to the 10-year plan, Delivering for America, we personally have not done any analysis of the plan as of yet. We do have an ongoing audit looking at the underlying assumptions of the plan, as well as how the Postal Service will monitor implementation. And, of course, with regards to the changes outlined in the plan, we'll be monitoring that going forward as well.

Ms. UNDERWOOD. And who would do the analysis of that plan?

Ms. PEREZ. So, we would do independent oversight and our own analysis to determine whether or not there's recommendations we can make with regards to the implementation of different initiatives with regards to the plan, but as far as whether or not the Postal Service did any independent analysis of their own, you would have to ask that to the Postal Service.

Ms. UNDERWOOD. OK. And, Mr. Morgan, are you aware of that type of analysis?

Mr. MORGAN. No, I am not. That's a national issue so that would have to be directed to headquarters.

Ms. UNDERWOOD. OK. And, Mr. Morgan, in your role as the Chicago Postmaster, I assume that you work closely with other postmasters across the region?

Mr. MORGAN. I have conversations with them, but my purview is strictly the city of Chicago.

Ms. UNDERWOOD. OK. And so, in those conversations, do you address service delivery times or any kind of bottlenecks that you're seeing within the larger Chicagoland region among service delivery times?

Mr. MORGAN. If I have an issue that pertains to Chicago, yes, we absolutely address it.

Ms. UNDERWOOD. OK. So, in terms of your supervision then, are you all held to a larger, you know, regional standard around—can you just talk about any kind of lines of communication or formal practices between the Chicago Postmaster region and where I represent, right, which is the suburbs and rural areas outside the city?

Mr. MORGAN. No. So, you have to understand the structure. So the rural area, they have their own independent Postmaster.

Ms. UNDERWOOD. Correct. That's right.

Mr. MORGAN. They receive their mail from our processing plants. So, we all receive our mail from the processing plants, so we do come together daily. And if there's, as you said, a bottleneck, we have that conversation. If the mail is stuck here or if there's an availability issue or whatever may arise, we get together, and then we fix it, yes.

Ms. UNDERWOOD. And then, during your tenure, I understand that you're newer in this role.

Mr. MORGAN. I am.

Ms. UNDERWOOD. Yes. Can you give us some metrics that you've seen regarding the processing times leading to bottlenecks to the larger service delivery area?

Mr. MORGAN. Metrics, no, I can't. I can't particularly give you metrics, but I can provide some for the record.

Ms. UNDERWOOD. OK. Oh, but USPS does track those things?

Mr. MORGAN. I can give you our service numbers, yes. I can have those submitted, and I'm pretty sure we also gave service numbers in my written testimony.

Ms. UNDERWOOD. OK. Thank you all so much for being here. I yield back.

Mr. CONNOLLY. The gentlelady yields back.

Ms. Newman—

Ms. NEWMAN. Thank you.

Mr. CONNOLLY [continuing]. In whose district I intend to visit tonight and tomorrow, welcome. And you are recognized for your five minutes of questioning.

Ms. NEWMAN. Thank you, Mr. Chairman. And please have a good time. It's the best district, really.

So thank you, Mack, for being here. I appreciate it so much.

Mr. Morgan, I really appreciate you. You've had a hard job since you came in, and we recognize that, and thank you for working with me on the Mount Greenwood and some of the Illinois three postal issues. You were very helpful, and we did bring delays down. So, I want to commend you for that.

Mack, I'm going to go back to a comment you made that was really concerning to me. You said something about postal supervisor fraud, and that's a big word. So, let's talk about that.

Mr. JULION. It's a big word, but it's rampant. It's a reality. It contributes—

Ms. NEWMAN. Can you define it?

Mr. JULION. It attributes to some of the low morale in the workplace. When we're talking—I think it was recently reported about the instances of management stealing time, time clock fraud. This is an effort to show that we're getting more work done in a less amount of hours. It has been something rampant in the Chicago post office for the past few years to the extent that a grievance settlement—we have three letter carriers working full time—no, we need letter carriers on the street working full time to audit the clock rings of supervisors, yet they were still shaving hours, knowing that they're being watched, shaving hours off the carriers' time.

Recently, we had a grievance settlement roughly about half a million dollars paid out to letter carriers across Chicago because they were stealing time. This is over and above the time that they had to restore back to them. It is a reality.

Ms. NEWMAN. Mr. Morgan, can you—I'd like to hear your side of that.

Mr. MORGAN. Absolutely. One, what we are speaking of is a past audit or grievance, if you will, and there was a team done, and my understanding of that, there was fraud, and that was being addressed. It was wrongdoing.

Now, upon my arrival, I did learn of the team and, again, I can't fix the past, but all I can do is to start to put things in place and then address it going forward. Now, in our line of work, I'm managing people. So, depending on what people do, it's my response. So, we are taught, we are trained to do the right thing. Should someone's behavior veer the wrong way, then it is addressed. And that the text audit or grievance that we're speaking of, that was, I want to say—correct me if I am wrong, Mack—2018, 2019, I believe, 2018, 2019, and, currently, it was closed out. Our latest sweep found no flaws. That was the most recent, but that was a review of the past, and that was found and that was the grievance was sustained.

Ms. NEWMAN. OK. Thank you.

And then would you respond to that, Mack? Are there any new cases?

Mr. JULION. Yes. It was closed out as a matter of settlement, but one thing that we can say, as far as accountability, those supervisors are still on the workroom floor. So, you have opportunity to address them and their habits and what they've done. They are still in the workplace.

Ms. NEWMAN. OK. Couple more questions during my time here. So, recruiting staffing and training, kind of hard all over the place and just hard in regular times as I've run organizations. So can you estimate, Mr. Morgan, what level of productivity increase we might have if we brought back those 30 percent of the sorting machines that were taken away by DeJoy a year, year and a half ago, two years ago, whatever it was?

Mr. MORGAN. No, I can't. That's logistics, and that's not my area of expertise.

Ms. NEWMAN. Yes. I would like an answer to that. So, if there's a way for your team to identify how much more productivity we might be able to receive if, in fact, those sorting machines were re-installed that were taken out, we'd appreciate that for the record, and it would be helpful to us.

Mr. MORGAN. I'll take that back to our government relations team and I'll see—

Mr. CONNOLLY. Would the gentlelady yield without prejudice to her time?

Ms. NEWMAN. Sure.

Mr. CONNOLLY. Thank you.

Mr. Morgan, just to followup on that. You have sorting machines?

Mr. MORGAN. No. I do not. I am the Postmaster of Chicago. The sorting machines are inside of our mail processing plants. That is not my authority.

Mr. CONNOLLY. OK.

Mr. MORGAN. I do not have any machines.

Mr. CONNOLLY. Are you familiar with sorting machines?

Mr. MORGAN. I am.

Mr. CONNOLLY. And what on a daily basis can one sorting machine process? How many pieces of mail?

Mr. MORGAN. Thousands.

Mr. CONNOLLY. Thousands?

Ms. NEWMAN. Mr. Chair, I believe it's close to 30,000, actually.

Mr. CONNOLLY. Correct.

Mr. MORGAN. Well, that would depend on the machine. We have multiple machines, and there are some that can do 30,000, correct.

Mr. CONNOLLY. My point would be, you would certainly concede, even though it doesn't fall within your purview right now, that Ms. Newman's point, the withdraw of machines clearly would have an impact on volume of mail being sorted and thus, ultimately, delivered?

Mr. MORGAN. I wouldn't concur with that without analyzing the data, looking at everything. Those machines don't run—will run on its own. It needs volume to process. It needs people to process. So, I couldn't say that, hey, we bring those back, because I would have to look at the entire picture to make that determination.

Mr. CONNOLLY. OK. So, at least, would you not intellectually concede that, in theory, the withdraw of a number of machines be on the normal maintenance schedule could have an impact on delivery schedules?

Mr. MORGAN. Again, that's a very big ask.

Ms. NEWMAN. Chairman, if I may answer because I do know this.

Mr. CONNOLLY. Thank you for yielding.

Ms. NEWMAN. Thank you. And thank you for yielding back. Because I have experience with USPS as management consultant, I can tell you the answer is yes. I just don't have the exact number, but the answer is definitely yes.

Mr. MORGAN. So, again, this is what I will say, and this will just be an example, if I am in the plant and I have a million pieces of mail, and that's, just for an example, it takes two machines, and I got rid of two machines because I already have two to do that work, I would have excess. So, why would I run excess when what I have can do the job that's needed?

Now, I can't debate what's national and what's in each district. I'm just saying that's what I will look at. I'm looking at an entire picture; I wouldn't universally just jump. I would analyze and then make that decision.

Ms. NEWMAN. For sure. Let's give you that opportunity to work with the plant to discern that. However, what I can tell you right now, because I talk to postal workers every day is that things are not getting sorted. We also know how many machines were taken out. That's well documented in the public record. So, we know two things, is that on the folks that work inside the postal station and the letter carriers are seeing the backlog, and it would be largely prevented by sorting machines. There is no question about that.

So, what I'm saying is, is that what I would like you to do is engage with your plant and understand, because they have those metrics because I know they do, and ask them, how could we benefit from having more productivity from our machines? And the answer is to reinstate those machines Mr. DeJoy had taken out. So, that's what we're asking you to discern and put in the record for us. I appreciate that. Thank you.

Mr. CONNOLLY. Thank you. Let me just ask a final question. I have not used my five minutes yet, but I have interrupted now and then. Listening to this whole hearing, one thing that really struck me as extraordinary, Mr. Morgan, was that the postmaster general

of Chicago is pleading with his own employees to come back to work and work.

Mr. MORGAN. Uh-huh.

Mr. CONNOLLY. What is the adjudication of people who are under contract to work, namely, an employment agreement, who don't show up for work?

Mr. MORGAN. We have a collective bargaining agreement. So, what I would say is that it's not the union's job to address attendance. I would appreciate the union's efforts in promoting being regular in attendance, public statement to draw those who are at home to come back to work. It's our job, again, as I stated earlier, we have a collective bargaining agreement—

Mr. CONNOLLY. I understand. So, what do you attribute the fact that they're not coming to work?

Mr. MORGAN. That's the million dollar question. I would love to know that.

Mr. CONNOLLY. Do you know, Mr. Julion?

Mr. JULION. I don't think it's simply a matter of people who are not coming back to work. I think it's a matter of not having enough. I've been in the Postal Service for 25 years—

Mr. CONNOLLY. Not having enough what?

Mr. JULION. Not having enough employees because we've been in the Postal Service for 24 years, and there's one provision that will get you removed from the Postal Service, and that's failure to maintain regular attendance. We tell this of new hires. Two quick ways to get out the door: take something that's not yours and failure to maintain regular attendance. Now it's incumbent upon management to enforce that.

Mr. CONNOLLY. Exactly. I understand the collective bargaining agreement, I understand consulting with the union. But you just heard from the union saying, hey, if you don't show up to work, that's a great way to be shown the door by management and management needs to enforce that.

Is that your—are you prepared to do that, Mr. Morgan?

Mr. MORGAN. Absolutely. Currently, Chairman Connolly, I have an attendance team, three dedicated specialists that does nothing but address attendance for—

Mr. CONNOLLY. OK. All right. Well, I thank you all. For the record—and I think Mr. Rush and I want to insert into the record several reports: the audit report on mail delivering and customer service issues in select stations here in Chicago; operational changes to mail delivery, also an inspector general report; the nationwide service performance report of the inspector general; and, finally, the service performance first-class single piece letter mail for the—I ask unanimous consent that they be entered into the record.

Without objection, so ordered.

Mr. FOSTER. Mr. Chair? Mr. Chair?

Mr. CONNOLLY. Hold on. Hold on. Is that Mr. Foster?

Mr. FOSTER. It is indeed.

Mr. CONNOLLY. It is. I'm just about to recognize you, Mr. Foster. I was buying you some time.

Our final questioner in this hearing is Mr. Bill Foster, Congressman from the great state of Illinois.

Mr. Foster, you are recognized for your five minutes.

Mr. FOSTER. Well, thank you, Mr. Chair, and to our witnesses. I really appreciate it.

You know, and I guess I have sort of hyperlocal question. In my district, especially in Woodridge, Illinois, we've had huge numbers of reports of very severe mail delivery from residents who live east of Route 53, but the answer we get back and what appears to be a fairly local concern is that we just, you know, chronic under staffing problems, which we've been talking about a lot in this hearing.

And so, you know, my questions, when you look at the job market today and the fact that record numbers of people are quitting all of their jobs, and then, if you say, what are the reasons people are quitting, is they just don't find it rewarding. So many of us spend so much time scowling at screens these days instead of feeling like we're doing real work. And, you know, maybe—I always whenever I see postal delivery personnel, they're smiling, and I was just wondering, have you had any success just saying that this is actually a rewarding job, instead of getting into, you know, all of the different ways that you're trying to be competitive? Do you find that this is actually seen the way I think it's felt by postal workers as being a job where you're really doing something important for society? Does that work? Mr. Julion? Mr. Morgan?

Mr. JULION. Absolutely. As I stated earlier, you know, we do, indeed, have absolute love for the Postal Service. That's why we're here. That's why we raise concerns about the service issues, and I do want to take the opportunity to—I know there has been some critique of the FMLA leave and that which was passed by Congress as reason for poor mail service. I want to thank you on behalf of the letter carriers and postal workers because COVID is real. It was real then, and it's real now, and some of our members had to utilize that. And we would've really appreciate the—what you were trying to do with the HEROES Act in terms of the hazard pay, and maybe there's funds still left over that you can consider that, but no.

We definitely appreciate the mission for which we were sworn, and that's delivering mail. We love our jobs.

Mr. FOSTER. Yes. And there's one thing I think that all Americans should understand is that, when they see a postal delivery worker, smile and wave and just let them know that you really appreciate the Postal Service because this is a deeply nonscientific question, and it doesn't have to do with contract terms or all the things you normally wrestle with, but it's an important part.

And so—and then, specifically, are you addressing the recruiting and training people from the point of view of the VER, the Voluntary Early Retirement, option in place, and what's the resulting impact of that, and did that have a significant direct effect on the shortage?

Mr. MORGAN. Are you asking that locally?

Mr. FOSTER. Well, locally and globally both.

Mr. MORGAN. I can't speak globally, sir, but locally the VER did not have a drastic impact on our staffing. No. It did not.

Mr. FOSTER. OK. So, it's not like in many businesses, they're just large numbers of people who have been counting the days until they can retire and are now leaping at it, so that's not it. OK.

Well, anyway, I just really appreciate your attending to this issue. It's a big deal for the people we represent, and thank you all. And I'll yield back.

Mr. MORGAN. Thank you.

Mr. CONNOLLY. Thank you, Congressman Foster.

And, just following up on what you just said, I think it's important to note that in that HEROES Act we talked about, Congress, in fact, had provided I think \$25 billion for postal relief for an injection of liquidity and to try to help out an extraordinary cost during a pandemic, including overtime and other things. And that actually got into the draft final of the bill, and then Secretary Mnuchin went to President Trump, and President Trump threatened to veto the entire bill over this item. He wanted no relief to the Postal Service. And so the only relief in almost \$6 trillion of COVID-related appropriations was a \$10 billion loan that we finally converted into a grant, a loan that originally, because of the terms Steve Mnuchin, the Secretary of Treasury, set were so unacceptable to the Postal Service, they couldn't use it. And here we are talking about how beloved the Postal Service is. We bailed out the cruise industry. We bailed out the airline industry, on and on, but we certainly did not bail out the Postal Service. And that's why postal reform is so important right now because it's the only mechanism for direct relief that is so badly needed.

You have a unanimous consent request, Ms. Schakowsky, for the record?

Ms. SCHAKOWSKY. Yes. I would like to insert in the record—I think it's good to have these individuals inserted into the record on their comments and their concerns. And there are also a couple of elected officials, including Debra Silverstein that have asked to be included in the record.

Mr. CONNOLLY. Without objection, it is so ordered.

Mr. CONNOLLY. The chair would also add two statements for the record from the National Newspaper Association.

Mr. CONNOLLY. Mr. Davis?

Mr. DAVIS. I ask unanimous consent to insert into the record letters from constituents.

Mr. CONNOLLY. Without objection, it is so ordered.

Mr. CONNOLLY. Is there anything else for the record?

Seeing and hearing none, without objection, all members will have five legislative days within which to submit extraneous materials and submit additional written questions for the witnesses through and to the chair, which will then be—what's that? Sorry.

Ms. SCHAKOWSKY. Can I just say—

Mr. CONNOLLY. Which will be forwarded to the witnesses for response.

Ms. SCHAKOWSKY. It was Debra Silverstein and two alderman and Maria Haddon. I wanted to say their names.

Mr. CONNOLLY. OK.

Ms. SCHAKOWSKY. Thank you.

Mr. CONNOLLY. Thank you for clarifying that.

I also want to thank my colleagues, especially from the Chicago area. I can't think of a field hearing that's had this kind of attendance and interest and commitment.

And I think it really does speak volumes about how critical this issue is, Mr. Morgan, for you and your colleagues and also how important it is to the people who live here, and I know you know that. And I sensed you're committed to try to make that better for them, but we cannot settle for lower standards and then charge higher prices. We have to get performance back up to where it was. The American people deserve no less, and during a pandemic, it's about life and death in some cases.

So, this is serious business, and that's why we had this hearing and why it got so much—very high-level participation and interest.

So, with that, I thank our witnesses for being here today and this hearing is adjourned.

[Whereupon, at 1:43 p.m. C.T., the subcommittee was adjourned.]

