

## Bipartisan Postal Reform Legislation Introduced in the Senate

On May 19, Chairman Gary Peters (D-MI) and Ranking Member Rob Portman (R-OH), of the Homeland Security and Governmental Affairs Committee, led a bipartisan coalition of 20 original co-sponsors in introducing the *Postal Service Reform Act of 2021* in the Senate (S. 1720).

This is a companion bill to legislation introduced in the House of Representatives (H.R. 3076) on May 11 by Chairwoman Carolyn Maloney (D-NY-12) and Ranking Member James Comer (R-KY-01) of the House Committee on Oversight and Reform. On May 13, the House Oversight and Government Reform Committee “marked-up” and approved the *Postal Service Reform Act*.

“The introduction of this companion legislation in the Senate places us on a strong path to pass much needed postal reform,” said President Dimondstein. “I applaud Senators Peters and Portman for working together on a bipartisan solution. The U.S. Mail belongs to every person in this country and is not a partisan issue. The APWU looks forward to working with Congress to see this signed into law.”

“This legislation presents an opportunity for Congress to provide needed financial and operational changes to the United States Postal Service,” said Legislative and Political Director Judy Beard. “The bill will place USPS on the path toward financial stability by adding transparency to the Postal Service, enacting prospective Medicare integration, ensuring six-day delivery, and repealing the unfair pre-funding mandate.”

The APWU believes this bill provides a workable route to achieve a robust future for America’s Postal Service. Call your Congressional Representatives by dialing 844-402-1001 and ask them to support postal reform.”

Components of the new postal reform legislation include:

### Repeal of the Pre-Funding Mandate

H.R. 3076 and S. 1720 include a longtime priority of APWU: the *USPS Fairness Act*. The inclusion of the *USPS Fairness Act* means that, if passed, this postal reform legislation would repeal the onerous pre-funding mandate from the 2006 *Postal Accountability and Enhancement Act*, which requires USPS to fully prefund the health benefits of Postal retirees

75 years in advance. This requirement — which no other public or private entity is burdened with — is responsible for 84 percent of the Postal Service’s net losses since 2007.

### Medicare Integration

This legislation increases participation in Medicare by providing prospective Medicare integration. Current retirees will be given the option to remain in their Federal Employee Health Benefits Program (FEHBP) or join the newly created postal-only FEHBP and fully integrate into Medicare Parts A and B when eligible. Current retirees, age 65 or above, who exercise this option, and are subject to a late enrollment penalty, will be provided a one-time waiver of the late enrollment penalty. Active postal employees, as of January 1, 2023, will be automatically enrolled in the postal-only FEHBP and have their health care fully integrated, when eligible, with Medicare Parts A and B.

Postal employees who receive health care through the VA, live abroad, or live in an area that does not offer Medicare will not be required to enroll in Medicare Part B.

Approximately 80 percent of Medicare-eligible retirees voluntarily enroll into Medicare A and B. APWU members have found that having a FEHBP plan and Medicare improves their access to health care and saves them money.

Postal employees and the Postal Service have long subsidized Medicare, paying over \$34 billion in Medicare taxes since 1983. Postal employees, retirees, and the Postal Service can realize the benefit of those contributions through Medicare integration which will save the USPS more than \$40 billion over ten years.

### USPS Transparency

The bill would require USPS to set up a public “dashboard” on their website which will publish weekly performance data. This data will allow postal observers to monitor any service failures, identify mail slowdowns, and pinpoint zip codes experiencing consistent diminished service performance. This added oversight will provide postal allies with new tools to fight back against consolidations and closures. These tools will also allow us to determine

*(continued on next page)*

# Three New Members, Including Anton Hajjar, Confirmed to Postal Board of Governors

On May 28, Anton Hajjar, former APWU general counsel, was confirmed by the Senate to serve on the Postal Board of Governors. He joins two other recent nominees, Amber McReynolds and Ron Stroman, who were confirmed by the Senate on May 12. The Postal Board of Governors now has a full complement of governors for the first time in more than a decade.

“Our campaign to get new members on the Postal Board of Governors was about making sure those at the highest levels of postal leadership will work to secure a vibrant Postal Service for years to come,” said President Dimondstein, “Thanks to our collective efforts, these three people who understand the importance of investing in good jobs, postal infrastructure, and guaranteeing efficient service will now join the Board.”

The APWU is confident that Hajjar, McReynolds, and Stroman are pro-postal individuals who reflect the communities they serve and will fight to rebuild the kind of postal service this country deserves.

“The confirmation of Hajjar, McReynolds, and Stroman would not have been possible without the sustained campaign led by APWU members and allies. We are immensely proud of our efforts to confirm these new members. Our success is a reflection of the fact that, when we work together, we can secure a vibrant public Postal Service for our country,” said Legislative and Political Director Judy Beard.

Earlier this year, we successfully petitioned the Biden Administration to swiftly nominate governors to the Board who would work to restore quality mail service and support an agenda of expanding the role of USPS in serving our communities. Then, we contacted our Senators, making over 2,000 calls, and



*From l-r: Hajjar, McReynolds and Stroman swearing into their Senate confirmation hearing on April 22*

urged them to vote to confirm Hajjar, McReynolds, and Stroman when their nominations were brought before the Senate for a full vote.

After the November election, President Dimondstein and Legislative and Political Director Judy Beard brought the Postal Board of Governors vacancies to the attention of the Biden administration, urging them to promptly name pro-postal nominees. Many members of Congress echoed this request and we are grateful for their support prior to and throughout the nomination process. We appreciate the Biden Administration for nominating three very qualified nominees and Senate Majority Leader Chuck Schumer (D-NY) and Senator Gary Peters (D-MI) for their leadership and commitment to confirming these nominees.

## Save the Dates!

**June 15 (2pm, 6pm, or 9pm ET):** APWU Contract Zoom Town Hall

**June 21 (7-10pm ET):** Contract Negotiations Virtual Kickoff Rally

**June 22:** Contract Negotiations Opening Day

**July 1:** APWU 50th Anniversary

Members can register for events at [apwu.org](http://apwu.org).

## PSEs to See Pay Raise

On Saturday, May 22, 2021, Postal Support Employees (PSEs) will receive a pay increase of 20 cents per hour. The additional pay will be reflected in pay checks dated June 11, 2021. The new hourly rates for PSEs can be found here. This will be the fifth and final pay increase PSEs will receive under the 2018-2021 National Agreement.

The five pay increases the PSEs receive included three general increases of 2.3%, 2.1%, 2.0%, and two additional increases of 20 cents each (PSEs do not receive COLA). Overall, a Level 6 PSE received a total of \$2.07 per hour during the current contract. Any future pay increases will be based on the next contract. Contract negotiations are set to begin on June 22, 2021.

*(Legislative Reform article continued from previous page)*

specific areas across the country in need of additional postal investment.

### Six-Day Delivery

In order to remain competitive and provide the kind of service people across this country deserve, this bill includes language that would protect six-day delivery. This provision is crucial. For those who want to privatize the Postal Service, any effort to degrade

service often starts with paring back on the number of delivery days. Privatizers know that by degrading service, they can drive business away, undermine our public Postal Service, and justify privatization.

Reduced delivery days can lead to fewer people turning to USPS when they need to send packages, job losses, and harm communities that depend on mail delivery. That's why the APWU has fought to secure the six-day delivery provision in this bill.