



American Postal Workers Union, AFL-CIO

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LEGISLATIVE PRIORITIES

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The Postal Service Reform Act of 2021

The **Postal Service Reform Act of 2021**, H.R. 3076 and S. 1720, introduced in the 117th Congress, presents an opportunity for Congress to provide needed financial and operational changes to the United States Postal Service. The bill will place USPS on the path toward financial stability by adding much-needed transparency to the Postal Service, enacting prospective Medicare integration, ensuring six-day delivery, and repealing the unfair ‘pre-funding mandate.

A Positive Step Forward

On May 11th, the Postal Service Reform Act of 2021 was introduced in the House by Chairwoman Carolyn Maloney (D-NY) and Ranking Member James Comer (R-KY); its companion bill was introduced in the Senate on May 19th by Chairman Gary Peters (D-SEN-MI) and Ranking member Rob Portman (R-SEN-OH), with a large amount of bi-partisan support.

In July of 2021, the House Oversight and Reform Committee marked up and advanced the Postal Service Reform Act. However, as the bill deals with Medicare, it must now work its way through the House Ways and Means Committee and the House Energy and Commerce Committee.

Components of the new postal reform legislation include:

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 healthcare fully integrated, when eligible, with Medicare Parts A and B.

Postal employees who receive healthcare 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. Many APWU members have found that having a FEHBP plan and Medicare improves their access to healthcare 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.

Postal Service 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 slow downs, and pinpoint zipcodes experiencing continued diminishing 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 specific areas across the country in need of additional postal investment.

Repeal the Pre-funding Mandate

H.R. 3076 and S. 1720 include a longtime priority of APWU: the USPS Fairness Act. The inclusion of USPS Fairness Act means that, if passed, this postal reform legislation would repeal the onerous pre-funding mandate, which requires USPS to fully pre-fund the health benefits for postal workers 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.

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. 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 to communities that depend on mail delivery. That’s why APWU has fought to secure the six-day delivery provision in this bill.

The APWU believes this bill provides a workable route to achieve a robust future for America’s Postal Service, and will continue to build support around both versions of Postal Reform, and work to see the bill signed into law. Call your Congressional Representatives by dialing 844-402-1001 and ask them to support postal reform.

Contact the APWU Legislative and Political Department at (202) 842-4211 for more information
A complete list of APWU Legislative Priorities is available at apwu.org

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