



# American Postal Workers Union, AFL-CIO

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## LEGISLATIVE PRIORITIES

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117<sup>TH</sup> CONGRESS

### APWU Supports the USPS Fairness Act

For over a decade, the United States Postal Service has been plagued with the onerous burden of pre-funding its retiree health care benefits, mandated by the Postal Accountability and Enhancement Act (PAEA) of 2006. The Institute for Policy Studies (IPS) found that the mandate requires the Postal Service to prefund its retiree health care benefits more than 50 years in advance, paying for retirement health care for individuals who have not entered the workforce and even for those who have not been born yet.

The pre-funding mandate is accountable for 84 percent of the Postal Service's net losses since 2007 and is a constant threat to the financial sustainability of the Postal Service. The Postal Service has defaulted on its pre-funding payments since 2012. No other federal agency or private sector business prefunds its retirement benefits.

The uncertainty inherent in satisfying the PAEA pre-funding mandate is creating real instability in the Postal Service's operations and prevents investment in infrastructure. The postal employees we represent see the consequences of this instability in their work, their workplaces, and in the service they provide the public.



### The USPS Fairness Act (S. 145 and H.R. 695)

Recognizing the problem pre-funding creates, the USPS Fairness Act enjoyed overwhelming bi-partisan support in the last Congress and passed the House with 309 votes; however, it did not make it to the Senate floor. As such, the USPS Fairness Act has been reintroduced for the 117<sup>th</sup> Congress in both chambers as S. 145 and H.R. 695.

#### S. 145

Senators Steve Daines (R-MT) and Brian Schatz (D-HI) introduced the Senate version of the USPS Fairness Act, S. 145 on February 1<sup>st</sup>.

#### H.R. 695

The House version of the USPS Fairness Act, H.R. 695, was introduced on February 2<sup>nd</sup> by Representatives Peter DeFazio (D-OR-04) and Tom Reed (R-NY-23), along with over 220 original co-sponsors.

If signed into law, this legislation would fully repeal the pre-funding mandate, reverting back to a pay-as-you-go system that the Postal Service used prior to the PAEA.

By repealing the pre-funding mandate, the Postal Service would then be able to focus on investing and innovating services in order to better meet its mission to service every American household and business.

The bill has yet to move forward in either chamber of Congress. However, the USPS Fairness Act has been included as a central provision in the Postal Reform Act, which has been introduced in both the House and Senate, and marked in the House Committee on Oversight and Reform. APWU's Legislative and Political Department will continue to push for the passage of this long overdue measure both as a standalone bill and as a provision within postal reform.

**"The bi-partisan USPS Fairness Act is one of the first steps toward returning the Postal Service to solid financial footing, and I urge Congress to quickly pass this critical legislation," said President Mark Dimondstein.**

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](http://apwu.org)

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