

American Postal Workers Union, AFL-CIO

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LEGISLATIVE PRIORITIES



116th Congress

H.R. 2382, the USPS Fairness Act

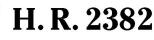
For over a decade, the United States Postal Service has been plagued with the onerous burden of prefunding its retiree health care benefits as mandated by the Postal Accountability and Enhancement Act (PAEA) of 2006. The mandate requires the Postal Service to prefund its retiree health care benefits 75 years in advance, paying for retirement health care for individuals who haven't been born yet, let alone enter the workforce.

The Problem

Since 2013, the prefunding mandate is responsible for 100% of the Postal Service's net losses, and it has defaulted on its prefunding payments since 2012. No other federal agency or private sector business prefunds its retirement benefits. The uncertainty inherent in satisfying the PAEA prefunding mandate is creating real instability in the Postal Service's operations. The postal employees we represent see the consequences of this instability in their work, their workplaces, and in the service they provide the public.



116th CONGRESS 1st Session



A BILL

- To amend title 5, United States Code, to repeal the requirement that the United States Postal Service prepay future retirement benefits, and for other purposes.
- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- **3 SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the "USPS Fairness Act".
- 5 SEC. 2. REPEAL OF REQUIRED PREPAYMENT OF FUTURE
- 6 **POSTAL SERVICE RETIREMENT BENEFITS.**
- 7 Subsection (d) of section 8909a of title 5, United
- 8 States Code, is repealed.

The Solution - H.R. 2382

Recognizing the problem prefunding creates, Representatives Peter DeFazio (D-OR-04), Tom Reed (R-NY-23), Brian Fitzpatrick (R-PA-01), and Xochitl Torres Small (D-NM-03) introduced the USPS Fairness Act, H.R. 2382. The bill fully repeals the prefunding mandate, reverting back to a pay-as-you-go system that the Postal Service used prior to the PAEA.

By repealing the prefunding 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.