



American Postal Workers Union, AFL-CIO

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LEGISLATIVE PRIORITIES

116th Congress

S.2965, 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

S. 2965

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8 States Code, is repealed.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 - USPS Fairness Act

On February 5th the U.S. House of Representatives passed the USPS Fairness Act, H.R. 2382 with a sweeping bi-partisan vote of 309-106. The Senate version of the USPS Fairness Act, S. 2965, was introduced in December 2019 by Senators Steve Daines (R-MT) and Brian Schatz (D-HI). Both bills present identical language to fully repeal 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 offering new products in order to better meet its mission to service every American household and business.

Thank you for your support in the passage of the H.R. 2382, now let's pass the bill in the Senate. Please contact your Senator and ask them to become a co-sponsor on S. 2965 (or thank them if they have already signed on). Call 844-402-1001 to be connected to your Senator's office.