



NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

National Headquarters
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August 31, 2011

Dear Member of the United States Senate:

I write on behalf of the nearly 32,000 members of our association, many of whom work and vote in your District.

The United States Postal Service faces an unprecedented crisis. It is projected to run out of cash on September 30, an outcome caused largely by retiree health care prepayments the Postal Service is required to make that are far larger than reasonable or necessary. This result is due to Congressional statutory requirements imposed in 2006, not to Postal Service mismanagement.

We urge Congress to realign the Postal Service's retiree health prefunding schedule to a larger time period consistent with what the Postal Service can afford, making use of a surplus created by Postal Service pension overpayments. That pension surplus, according to studies of the Postal Regulatory Commission and the Inspector General of the Postal Service, could be as large as \$55-75 billion. Legislative proposals offered by Sen. Tom Carper (S. 1010) and Sen. Susan Collins (S. 353), in part, would realign the Postal Service's prefunding payments.

Realignment of the Postal Service's retiree health prefunding payments clearly would defuse the postal crisis. Most important, this action would eliminate the need for sweeping, alternative proposals recently advanced by the Postal Service, which we oppose, which would:

- Reduce delivery to six days per week to five days per week or less;
- Eliminate overnight delivery of First Class mail in local areas, resulting in the closure of nearly half of current mail processing facilities, eliminating thousands of jobs;
- Close thousands of small Post Offices, many of them in rural areas; and
- Permit the Postal Service to secede from the federal health and retirement programs and create alternative health and retirement plans for its employees and retirees.

The proposals offered by Sen. Tom Carper and Sen. Susan Collins, in part, would require the Office of Personnel Management to review the Postal Service's past pension payments, using modern, well-accepted principles of accounting, and to require the Postal Service to use any surplus of payments to satisfy its remaining health prefunding obligations under the 2006 law.

We urge you to support these measured and responsible efforts proposed by your colleagues to stabilize the Postal Service's financial outlook. Without swift action, it will be difficult, if not impossible to avoid the massive changes in service and infrastructure the USPS unnecessarily has had to propose.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Louis M. Atkins". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Louis M. Atkins

President