



NATIONAL ASSOCIATION OF POSTMASTERS
OF THE UNITED STATES

TESTIMONY OF
OSCAR "DALE" GOFF, JR.
NATIONAL PRESIDENT

BEFORE THE

HOUSE SUBCOMMITTEE ON

THE FEDERAL WORKFORCE, POSTAL SERVICE,
AND DISTRICT OF COLUMBIA

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Mr. Chairman, Ranking Member Marchant, and distinguished Subcommittee members, I am Dale Goff, President of the 40,000-member National Association of Postmasters of the United States. It is an honor to once again present to Congress the views of our country's Postmasters, regarding the implementation of the Postal Accountability and Enhancement Act. The Subcommittee's invitation referenced this hearing as exploring the economics of universal mail service in the wake of the new postal statute. Moreover, the invite requested witnesses to address a variety of issues concerning postal operations. The future of a universal Postal Service and effect of the recession on postal operations will be the focus of NAPUS' testimony.

Mr. Chairman, with your permission, I would like to begin my testimony by stressing the importance of a "universal" Postal Service. Next year, this is an issue that may approach front-and-center. Congress will have the opportunity to review recommendations made by the PRC relating to universal service. Postmasters fervently believe that Congress, the President and the PRC must view universal service in a broad social and political context, not simply donning green eyeshades and scrutinizing universal service in purely economic terms. Understandably, universal service has evolved over the over-two hundred year history of our national postal system; however, postal policy-makers have consistently strived to improve the quality of postal products, make these products more affordable and more accessible. Indeed, accessibility and consistency are the key hallmarks of the U.S. Postal Service. These characteristics afford postal products tremendous value to our customers – a value that would be dealt a devastating blow should universal service be undermined or the quality of postal services be compromised.

Moreover, balkanization of the Postal Service through subcontracting intrinsic and historic governmental functions would undercut exemplary consumer trust in our postal network. In fact, just one month ago, the Ponemon Institute revealed that the U.S. Postal Service retained its status as the most trusted federal organization, with a “privacy trust score” of 86%; this represents a 3% increase over the previous year.

The approximately 27,000 independent Post Offices are the bedrock of a universal postal system; they serve as outposts of commerce and connectivity to countless communities across the American landscape. Towns in rural and isolated regions and residential urban communities in economically challenged quarters would be underserved without a strong and *governmental* universal service obligation. Uniformity of service and accessibility to these services are essential to this sacrosanct obligation. Class-based postal services, where different locales are provided different levels of service, from different postal providers would be contrary to universal service, and would undermine confidence in our national postal system.

As the Postmaster of Covington, Louisiana, I identify with the clarion mission for Postal ubiquity. I know that Gulf Coast communities devastated by Hurricane Katrina would have been left awash, without postal services. Those who may urge the PRC or the Congress to liberalize the postal monopoly cannot guarantee the level of response and commitment that the U.S. Postal Service has time-and- time again exhibited during times of crisis. When non-governmental privateers arrived, allegedly to provide assistance, they tended to exploit and profit at the expense of many Gulf Coast communities. This kind

of motivation is not what America needs within a postal network. However, I can recount stories, first hand, of how the universal U.S. Postal Service continues to bind devastated Louisiana communities together, to the rest of the country, and to the world. In fact, the Post Office's ability to be the sole federal representative in isolated regions is an unquantifiable strength that must be strengthened not weakened. I believe that enhancing this role secures universal service for generations to come.

I believe that Congress appreciates the necessity to protect universal service, even in the economically challenging times in which we now find ourselves. Public Law 109-435 provides the Postal Service with a greater degree of flexibility in pricing and products. NAPUS has pledged to work collaboratively with Postal Headquarters to expand offered services at rural Post Offices. In rural areas, there is a paucity of financial and service-oriented institutions. Automatic teller machines, state licensing and other services are ripe for Postal involvement. It is essential that the Postal Service leverage its wide and deep retail footprint to bring these services to outlying and isolated communities. In addition to providing invaluable services to rural America, there is untapped postal revenue to be realized in the hills and byways of America. The new law enables the Postal Service to establish and expand these revenue-producing activities. With appropriate resources, Postmasters would welcome these opportunities.

In past testimony, NAPUS has suggested that Congress has a pivotal role in assuring reliable postal quality and steadfast accountability. Unfortunately, staffing shortages continue to plague Post Offices across the country. Rank and file postal positions,

including those dedicated to window service and carrier routes, remain unfilled or triaged with sub par bandages. Deficient staffing weakens the quality of our service by slashed hours of service to the postal customers, and inconsistent or late mail deliveries.

Moreover, Postmasters are forced to supplant their managerial functions to compensate for the deficiencies. Juggling these responsibilities, with finite number hours to the workday, has a devastating impact on Postmaster morale, diminishes the quality of our product, and undermines the capability of frontline managers to satisfactorily ensure compliance with a variety of management directives. This added Postmaster burden, compromises their administrative functions, reflect poorly on USPS accountability, and makes it difficult to comply with section 404 of the Sarbanes-Oxley Act. Moreover, the USPS will have great difficulty meeting appropriate service-standards, consistent with the postal legislation, without the necessary and appropriately trained complement of employees. In these uncertain economic times, it is important to safeguard the quality of our services, and we need to be accountable to our customers. Consequently, NAPUS is particularly interested in a report requested, as part of the Consolidated Appropriation Act of 2008 (Public Law 110-161), which directs the Postal Service to convey to Congress, in writing, by June 23, its efforts “to solicit and take into consideration the views of local postal management in the development of appropriate staffing levels to ensure that postal customers receive the quality mail service that they expect and deserve.”

Congress can assist the Postal Service navigate through the 2007-2008 recession. Up to now, the Administration has refused to grant the Postal Service its entitled benefit from a

Medicare Part D employer subsidy program. Public Law 108-173 clearly sanctions Postal Service participation in the subsidy program. The statute allows employer sponsors of group health insurance plans that cover prescription drug benefits for their Medicare-eligible retirees an “employer subsidy.” The subsidy would provide a benefit to the USPS of about \$250 million per year. NAPUS urges Congress to compel the White House to authorize the Postal Service’s rightful subsidy.

We also urge the Congress to enact legislation to establish “no excuse” absentee balloting in federal elections. While this bill would not effect the 2008 elections, it would impact future ones. Recently, the Committee on House Administration favorably reported H.R. 281, the Universal Right to Vote by Mail Act, by voice vote. NAPUS hopes that the House will have the opportunity to approve H.R. 281 in the very near future. The measure would have the dual benefit of making federal elections more accessible, thereby boosting voter participation without lengthening polling place congestion. The Act would also help increase postage revenue by encouraging voters to participate in elections, via the U.S. mail stream.

Finally, NAPUS cautions Congress against looking favorably on state efforts to establish “do not mail” registries. So far, these initiatives have failed to garner enough support to reach a vote in any of the 15 states that considered the concept in 2007, or the 9 states that began this year with such legislation. Currently, there is no federal legislation restricting advertising, or nonprofit solicitation mail. Nonetheless, NAPUS is vigilant against attempts to place a legislative chokehold on mail commerce. These types of postal

products are vital to the future of the American economy and the Postal Service. In 2007, advertising mail contributed more than \$686 million in increased sales to the U.S. economy, and 300,683 small businesses generated more than 20.8 billion pieces of mail. This volume helps to buttress the Postal Service against the decline in First Class postage revenue – revenue essential for postal jobs and universal mail service.

Mr. Chairman, I will conclude my testimony with where I began. The full potential and success of our national treasure – the Postal Service – relies on its continued ability to provide universal mail service to America, to use its available tools to weather economic squalls, to be granted access to the fiscal opportunities as other employers, and not to be strangled by ill-advised legislation. Thank you for the opportunity for NAPUS to present its views.