



August 19, 2020

National Taxpayers Union urges all Representatives to vote “NO” on H.R. 8015, the “Delivering for America Act.” While it is important to ensure a secure election process this November, it is not necessary to provide a \$25 billion bailout to achieve this goal. Any additional funds provided to the Postal Service should be accompanied by reforms to ensure the long-term sustainability of America's troubled postal system. Bailing out the U.S. Postal Service won’t tackle the underlying issues of an antiquated federal agency that continues to rely on a failed business model.

The USPS’s deep financial problems are widely known and well-documented. Despite maintaining a government-sponsored monopoly over the delivery of first class mail, USPS has lost \$78 billion over the past 13 years and is facing concerns about bankruptcy. Due to these steep losses, alongside \$140 billion in unfunded liabilities and general debt, the GAO regularly labels this agency as “high risk.” Without structural changes, USPS will continue to rely on multibillion-dollar withdrawals from taxpayers in order to remain solvent.

Rather than tackling the underlying problems that plague USPS, H.R. 8015 simply delivers the broken agency a \$25 billion check without requiring any changes to its outdated operations. USPS must address the significant imbalance between its declining revenues and skyrocketing operating costs. While some additional funding may be necessary to modernize operations, as a condition of that funding, Congress should give USPS greater flexibility to cut costs and raise revenue either through office closures, delivery schedule and pricing adjustments, or streamlining operating costs as a means to remaining economically viable in today’s world. In the end, USPS needs reform, not bailouts that kick the can marked “insolvency” down the road toward the not-so-distant future.

No doubt the COVID-19 pandemic has dramatically impacted mail volume, thereby placing a strain on revenue. However, using the COVID-19 pandemic as justification for a massive bailout bill is not only wrong, but it is not needed. According to an internal report, the Postal Service has enough resources to continue operations for at least an entire year, even after accounting for the effects of the COVID-19 pandemic. With that being the case, it means Congress has ample time to smartly craft legislation to reform or reimagine the Post Service.

Ensuring the security of our election process is an important and noble goal, but doubling down on failed policy without offering any fixes to this important agency is an abdication of responsibility that fails taxpayers, customers, and businesses. Without a complete overhaul of the entire postal service model, a future taxpayer-funded bailout north of \$100 billion is likely to become a reality - which is significantly higher than what H.R. 8015 proposes.

Roll call votes on H.R. 8015 will be included in NTU’s annual Rating of Congress and a “NO” vote will be considered the pro-taxpayer position.

If you have any questions, please contact NTU Executive Vice President Brandon Arnold at barnold@ntu.org
