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## United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510–6250

April 30, 2012

The Honorable Patrick R. Donahoe Postmaster General 475 L'Enfant Plaza, SW Washington, DC 20260

Dear Mr. Donohoe:

Last week, the Senate passed S. 1789, the 21<sup>st</sup> Century Postal Service Act, bipartisan legislation to help restore the Postal Service to sound financial footing, and we look forward to working with the House of Representatives and the Postal Service to enact final legislation in the coming months. We are writing to ask that, in the interim, you follow the intent of the Senate with respect to the closures of post offices and processing facilities and that you extend the current moratorium to cover closures that would not be permitted under S. 1789 until Congress has an opportunity to finalize legislation in the near future.

S. 1789 is a balanced, responsible bill that helps relieve some of the immediate financial pressures on the Postal Service by restructuring its payments into the Retiree Health Benefits fund and refunding its overpayments to the Federal Employees Retirement System (FERS) -- and directs that the FERS refund be used to right-size the postal workforce through the provision of retirement incentives for 100,000 postal workers. S. 1789 also recognizes that the Postal Service, facing a sharp decline in first class mail and a world that has increasingly turned to electronic communications, needs innovative thinking and new sources of revenue. The bill therefore provides for increased flexibility to offer nonpostal products, a Chief Innovation Officer, and the establishment of a blue-ribbon commission to develop a new strategic blueprint for the Postal Service to enable it to be more relevant and solvent in a digital age. Importantly, S. 1789 also recognizes the need for further cost savings, authorizing you to make thoughtful reductions in infrastructure that will not adversely affect service. In fact, the analysis you have provided indicates that this legislation, when implemented, could save the Postal Service more than \$19 billion per year.

You have announced your intent to close hundreds of post offices and processing facilities beginning May 15<sup>th</sup>. However, as last week's debate demonstrated, there is considerable concern in the Senate that this approach will unnecessarily degrade the infrastructure which is one of the Postal Service's most important assets. The legislation thus permits the Postal Service to realign its delivery network and modify its service standards while still ensuring that the USPS maintains the necessary retail and processing facilities to continue to provide adequate postal services and not chase away its

customers. The legislation that is ultimately enacted by Congress could bar some of the planned closures or make many of them financially unnecessary. For that reason, the Senate adopted an amendment to S. 1789 that expressed the Sense of the Senate that the Postal Service should not close post offices and processing facilities before the 21<sup>st</sup> Century Postal Service Act is enacted. We believe an attempt to proceed with the planned closures – to "get in under the wire" while legislation to the contrary is being considered – would be counterproductive and would violate the clear intent of the Senate.

We therefore urge you to extend the current moratorium to delay the closure or consolidation of post offices and mail processing facilities that would be kept open were S. 1789 to be enacted into law, while we work together with our House colleagues to enact comprehensive postal legislation as quickly as possible.

We look forward to discussing this matter further with you.

Sincerely,

Joseph I. Lieberman

Chairman

Susan M. Collins Ranking Member

Swan M Collins

Thomas R. Carper

Chairman

Subcommittee on Federal Financial

Management, Government

Information, Federal Services and

International Security

Scott P. Brown

Ranking Member

Subcommittee on Federal Financial

Management, Government

Information, Federal Services and

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