

Chairman Peters Opening Statement as Prepared for Delivery
Full Committee Hearing: Postal Service Oversight
April 16, 2024

The Committee will come to order.

Welcome to today's hearing on oversight of the United States Postal Service. I want to take a moment to thank our witnesses for being here today. This panel includes executives from each government body that helps govern and oversee the Postal Service and each of them will offer valuable insight.

The Postal Service offers a critical public service. Postal workers deliver every day to keep our communities connected. As the only carrier that reaches every address in the nation, the Postal Service ensures that Americans everywhere can stay in touch, receive goods, and more – no matter where they live.

This committee has jurisdiction over the Postal Service, and we have a responsibility to examine this agency's work to ensure it is effectively serving the American people. That's why we're here today.

This hearing comes at a critical time for the Postal Service. Two years ago, I led the passage of the bipartisan Postal Service Reform Act – the first major reform to the Postal Service in over 15 years. This legislation set the agency on a more stable financial footing and provided critical transparency on local service to the public. This legislation has eliminated unfair financial burdens that long undermined the Postal Service, and in total will provide \$50 billion in financial relief over ten years. The intent of this law was to help ensure the Postal Service can keep reliably serving all communities.

Two years later, the Postal Service is implementing this legislation – including helping postal employees and retirees integrate their health care with Medicare. But the agency has also undertaken a series of changes on its own – reforms that it claims will help save money and improve operations.

These operational changes appear to be significant. The Postal Service plans to make changes to its processing and delivery network across the country. It plans to consolidate facilities into larger, more centralized hubs and reducing the number of times that mail is collected at facilities each day. In some communities, these changes have already disrupted or caused declines in service.

I remain concerned about these changes. There is no clear evidence that shows the changes will improve service in the long run. When I have repeatedly asked the Postal Service for detailed studies, it cannot provide them. The Postal Service has even said it must execute more changes before studying their impacts – essentially plowing ahead without knowing whether service could be harmed.

It's also not clear these changes will actually save money. We know these changes led to increased costs at one facility, and the Postal Service has not been transparent about their overall cost projections. So far, these changes appear to be moving in the wrong direction – service is down, costs are up, and customers are being let down.

I have called on the Postal Service to pause these changes until it can show that they won't undermine the agency's primary responsibility – to provide timely and reliable delivery to every community. Before moving forward, the Postal Service must study the locations that have been altered so far, investigate the root causes of disruptions, restore normal service, and understand the long-term implications of this plan. If the Postal Service continues moving forward at this drastic pace without studying the impacts, they will harm service and drive away customers nationwide.

The Postal Service must continue adapting to ensure it is consistently improving its service. But it needs to proceed with the utmost caution, to ensure it protects on-time delivery for the communities who rely on the Postal Service every single day. This Committee is committed to conducting ongoing oversight to hold the Postal Service to this mission.

I look forward to hearing from our witnesses today about the health of the Postal Service and the future of this critical institution.