

Prepared Statement of Derek Kan
Committee on Homeland Security and Government Affairs
March 31, 2022

Chairman Peters, Ranking Member Portman, and distinguished members of the committee, I am honored to come before you as President Biden's nominee for the Board of Governors of the United States Postal Service. I also want to thank Senator McConnell for his support.

I am grateful for my wife of 17 years, Connie Kan, who has always been supportive of my public service. I'm also grateful for our three children, Avery (age 7), Evan (age 10), and Jordan (age 12). They have made significant sacrifices over the past five years so that I could serve in government, including leaving family and friends in California to move here. We have since moved back to California, and the kids are in school right now, which is why they couldn't join me at this hearing. Our youngest, Avery, was nearly 3 years old during my confirmation hearing for the position of Under Secretary for Policy at the U.S. Department of Transportation. She started crying part way through and my wife quickly whisked her out of the room. She was almost 6 years old when she attended my confirmation hearing for the position of Deputy Director of the Office of Management and Budget. She spent the bulk of the hearing doodling and reading her books. Now, at almost 8, my daughter is asking me, what have I done to keep having to testify before the U.S. Senate. I think she thinks I keep getting in trouble.

I am also thankful for my parents, Scott and Julie, who have worked so hard to give me incredible opportunities throughout my life. They immigrated here from Taiwan over forty years ago to pursue the American dream. My mother, who never graduated from college, taught me the value of hard work and persistence; that hard work and persistence today is a lifesaver as she is battling late-stage cancer. My father, an engineer, taught me the value of rigorous analysis and to be civically minded. Together, they taught me to have a deep respect for authority, a love for this great country, and an unwavering faith in God. I hope I make them proud.

I began my career at the Office of Management and Budget in the Presidential Management Fellowship program working on Veterans Affairs Programs. After starting my career at OMB, I came to the Senate and worked on budget and appropriations issues and helped navigate budget issues across the Senate floor. It was a privilege to work in the world's greatest deliberative body, and it is with a deep sense of humility and gratitude that I again come before you today for this nomination. Since leaving the Senate, I worked in the private sector, mostly in tech and transportation. In these roles, I helped organizations grow, innovate, and embrace new technologies.

Five years ago, I returned to the public sector to serve as Under Secretary for Policy at the U.S. Department of Transportation and later as the Deputy Director of the Office of Management and Budget. In both roles, I worked collaboratively with many members of this committee to help advance your respective priorities ranging from rebuilding infrastructure and providing transportation grants to delivering critical economic relief and other Federal resources related to Covid-19.

As I look back upon the past twenty plus years of my professional experience, I have spent roughly half of my career in the public sector and the other half in the private sector. Even when I was in the private sector, I sought out ways to serve the country. For instance, I served as a Board member of Amtrak and worked with management to improve its financial position, strengthen their capital plan, and worked collaboratively to improve overall management of the organization.

The Postal Service is particularly meaningful to me. The parents of many of my friends were Postal Service workers; they were immigrants who sought a better life and pursued the American dream. Many of my friend's parents were mail carriers, processing clerks, sales associates, and branch supervisors. The prized shifts were on the retail front so that their shifts would be in the daytime and at night they would help their children with their schoolwork. The Postal Service was how many first-generation immigrants earned a living in this country, supported their families, and gained a sense of dignity and a profound sense of connection to their communities, and to this country.

For the past two and a half centuries, the Postal Service has served this country admirably having built the largest physical and logistical infrastructure of any non-military institution. The Postal Service is key in facilitating communication and building a sense of community; just think of when you see your local mail carrier. However today, the Postal Service is facing significant challenges ranging from changing customer preferences to an everchanging workforce, with headwinds around recruitment and retention to questions about the Postal Service's long-term financial viability. While the recently enacted Postal Service Reform Act of 2022 coupled with the recently released ten-year plan will put the Postal Service on stronger financial footing, more can be done to ensure that the Postal Service will continue to fulfill its statutory obligations around universal service. Should I be so fortunate to be confirmed, I will bring my experiences in the public and private sectors to improve operations and customer service, introduce new technologies and methods, and seek to strengthen the long-term financial viability of the Postal Service.

Having been a civil servant at OMB, a Senate staffer, a Board member of Amtrak, and a policy official at DOT and OMB, I would be grateful for this opportunity to serve on the Board of Governors of the Postal Service. You have my commitment that, if confirmed, I will work collaboratively with the Board, the Postal Service management, Congress, Postal Service employees, customers, and other stakeholders to strengthen this great organization.

Thank you for the opportunity to come before you and I would be pleased to answer any questions you may have.