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Opening Statement Chairman Gerald E. Connolly Subcommittee on Government Operations Hearing on “Postal Update” Monday, September 14, 2020

The Postal Service is the crown jewel of our federal government. It serves every household and business across this nation each and every day. It employs 630,000 individuals who live in every single congressional district. According to Pew Research, 91% of Americans have a favorable view of the Postal Service — leaps and bounds above any other federal agency.

During the Coronavirus pandemic, the Postal Service’s value to this nation is greater than ever. The Postal Service is a formal component of our nation’s National Response Framework, serving as a lynchpin of our nation’s response to the pandemic. **A June 2020 Harris Poll found that the Postal Service ranked as the “single most essential company to Americans during the pandemic,” outranking companies that manufacture PPE and sanitizers.**

Starting now and going through November, the Postal Service will play a critical, unprecedented role in our democracy, protecting the health of voters who cast their ballots by mail. We know postal workers can handle the volume of election mail. The question is whether those at the helm are taking steps to hinder that capacity and slow down mail delivery in ways that hurt the prospects of a fair election, but benefit President Trump’s reelection campaign. It is essential that Postal Service leadership demonstrate nonpartisanship not blatant cronyism.

Leading the Postal Service, serving everyone in our country — and particularly during this pandemic, is a responsibility to bestow upon only the most qualified and honorable of leaders. It’s a job for those who are ready and willing to listen to the millions of stakeholders — mail recipients, mailers, voters, unions, veterans, older Americans, Congress and others — to connect the United States and serve as the thread that unites our society’s many fabrics.

Unfortunately, that’s not what is happening. Instead, we have a Board of Governors who inserted a political ally of the President into the search process at the 11th hour, circumventing proper vetting and background checks. We have a crony at the helm of our nation’s Postal Service, a man rife with conflicts of interest and potential violations of law. We have a Postmaster General who would benefit financially if the Postal Service contracts out its services and sprints toward privatization. He who would benefit financially and politically if mail-in ballots are delayed or undelivered. That would be unacceptable in normal circumstances. It’s catastrophic during a global pandemic, on the precipice of a consequential presidential election.

This hearing seeks to provide the public with an update on what we know about the background and qualifications of the man selected to lead the United States Postal Service. In fact, one might say that this is the homework that the Board of Governors failed to do when vetting this candidate.

Using publicly available resources, we will piece together the troubling past of Mr. Louis DeJoy. We will examine his actions related to campaign donations while he was at the helm of New Breed Logistics. We will explore his continued investments in companies that benefit from contracts with USPS — companies that would also benefit if USPS pursued the President’s plan for privatization. We will discuss why these actions and connections matter — and why they should have rendered him ineligible for this position.

Mr. Louis DeJoy’s first day of work was June 15. Today marks the start of his 13th week of federal service. And yet his record is characterized by tumult, controversy, plummeting service, and betrayal of customers in dire need of lifesaving medicines and supplies. But the trucks are on time—albeit with the mail left behind. So, there’s that.

We learned at our last hearing that Mr. DeJoy has known for weeks that his “operational changes” slowed down the mail by 10%. For two weeks he withheld from Congress and the public the data and analysis that demonstrated how his leadership undermined the actual mission of the Postal Service, to deliver the mail.

Days later, details of Mr. DeJoy’s personal lack of ethics have emerged. He reportedly forged his own brother’s signature to take greater control of his family’s company. Mr. DeJoy reportedly illegally used the family company as a personal political action committee — coercing his staff to donate to preferred Republican candidates and then reimbursing those employees with salary. If true, DeJoy’s actions should have landed him in jail, not at the helm of our nation’s most trusted organization.

But we’re not done. Over the weekend the PMG sent every home in America a mailer instructing all who seek to vote by mail to request a mail-in ballot — sending misinformation and confusing voters in nine states that automatically send out such ballots. This debacle could have been avoided if Mr. DeJoy had simply accepted the offers of state election officials to proofread the message before he sent it out. **And today we see reports emerging that when Mr. DeJoy was the CEO of New Breed Logistics and contracting with Postal Service, his company may have received as much as \$53 million dollars in overpayments.**

The dossier released today by Ms. Lisa Graves, one of our witnesses, shows Mr. DeJoy continues to hold investments, assets, or other interests in entities that benefit when the Postal Service contracts out its operations. Moreover, Mr. DeJoy improperly mixes his personal and political friendships with his position as PMG. What should scare every American who believes the USPS should not be an arm of the Trump campaign is that Mr. DeJoy, in his official capacity, continues to conceal his secret coordination with Trump campaign associates, about which he has already provided potentially false or misleading testimony to Congress..

The Chairwoman and I have repeatedly asked the PMG and the Board of Governors for information that would justify the sweeping operational changes, clarify what Mr. DeJoy’s

investments are, ensure transparency of operations, and restore trust in the Postal Service. They have not given the Committee the documents we require.

On September 2, 2020, Chairwoman Carolyn Maloney [issued](#) a subpoena compelling Mr. DeJoy to produce a wide range of documents, including those previously requested and a list of all contacts with Trump campaign affiliates. Today is the deadline for the Board of Governors to [provide](#) the Committee documents and information to shed light on the corrupt way Mr. DeJoy was selected for this position.

While the Board of Governors might be “tickled pink” with Mr. DeJoy’s performance, the American people are not. Perhaps they need to be reminded that their job is to serve this nation and not this President. I look forward to hearing from our expert witnesses today and continuing this pivotal discussion and this committee’s investigation.

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