

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051
<http://oversight.house.gov>

April 13, 2018

President Donald J. Trump
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

I am writing today regarding the Executive Order you issued late last night creating a new task force to study the financial situation of the United States Postal Service. I would like to correct certain misunderstandings and offer additional information for your consideration.

The financial condition of the Postal Service indeed faces challenges, and it has for some time. Declining mail volumes, an ever-expanding delivery base, statutorily-mandated payments to the federal government, and an historic responsibility to provide universal postal service to every household in the nation have resulted in losses since the recession that we all agree are unsustainable. These facts are understood by all key stakeholders, including the Postal Service, the Postal Regulatory Commission, the mailing industry, Postal employees, and Members of Congress on a bipartisan basis.

Our Committee, which has direct jurisdiction over the Postal Service, introduced legislation on a bipartisan basis to address these challenges. Our bill, H.R. 756, the Postal Service Reform Act of 2017, would make critical pricing and delivery changes to put the Postal Service back on the path to financial health. It also would treat the Postal Service like other private sector businesses by requiring its retirees to enroll in Medicare.

According to the Congressional Budget Office, our bill would save taxpayers nearly \$6 billion over the next ten years.¹

Our legislation passed the Oversight Committee unanimously more than a year ago in March 2017—with all Republican and Democratic Members supporting it. Yet despite multiple requests, Speaker Ryan has declined to allow it to come to the floor for a vote.

One area that is not contributing to the Postal Service's financial challenges is package deliveries with retailers such as Amazon. To the contrary, package delivery has been one of the

¹ Congressional Budget Office, *H.R. 756, Postal Service Reform Act of 2017* (June 1, 2017) (online at www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/hr756.pdf).

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few areas of growth in Postal Service revenue, experiencing double-digit increases in recent years and accounting for nearly 30% of its operating revenue in fiscal year 2017.²

Contrary to your recent comments, the Postal Service's package delivery business is profitable. Package delivery has not only helped the Postal Service mitigate some of its losses in other areas, but it has provided the American people with low-cost services for retail purchases. Amazon is the largest shipper of packages by the Postal Service, and the Negotiated Service Agreement between the Postal Service and various online retailers have been reviewed thoroughly by the Postal Regulatory Commission to ensure profitability.

Rather than spending scarce taxpayer dollars on yet another review of the Postal Service, I urge you to review our bipartisan legislation and urge Speaker Ryan to allow Members of the House of Representatives to debate and vote on our bill as soon as possible.

Sincerely,



Elijah E. Cummings
Ranking Member

cc. The Honorable Trey Gowdy, Chairman

² United States Postal Service, *U.S. Postal Service Reports Fiscal Year 2017 Results* (Nov. 14, 2017) (online at www.about.usps.com/news/national-releases/2017/pr17_069.htm).