



National Postal Mail Handlers Union

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July 15, 2020

Dear Senator:

As the National President of the National Postal Mail Handlers Union (NPMHU), which represents over 47,000 postal mail handlers across the country, I write to urge you to support the United States Postal Services and its employees in the next stimulus package.

At the start of the COVID-19 pandemic, the Postal Service saw a decline in first-class mail, which is its mail source of revenue. In a May 2020 report from the United States Postal Regulatory Commission (PRC) stated, “The Postal Service expects the COVID-19 pandemic to have a material effect on its financial condition, results of operations and liquidity.” Despite this drop in volume and revenue, the national economy is still dependent on the Postal Service. In 2019, the USPS had a revenue of \$71 billion, employs over 627,000 men and women, and it is the backbone of a \$1.7 trillion mailing industry. The PRC commented on the impact of volume decline and the national economy, “Disruption of the mail would cause undue hardship to businesses and consumers as it would significantly inhibit the remittance of payments through the mail, and in the event of a cash shortfall, the U.S. government would likely prevent the Postal Service from significantly curtailing or ceasing operations.”

Not only would businesses suffer under a disruption of postal services, but American households will be negatively affected by a loss of the USPS. The Postal Service touches every single American household, offering the same postal rates regardless if the customers are in urban, suburban, and rural areas. During the past four months, the Postal Service has ensured households receive prescription drugs, as well as personal and government correspondence. The Postal Service has proven itself to be a necessary lifeline during the pandemic.

While first-class mail saw a decline, package delivery initially saw an increase. In the CARES Act (P.L. 116-136), the Postal Service was provided with \$10 billion in borrowing authority at the discretion of the Treasury Department. In a May 18, 2020, letter to members of the US Senate, the Treasury Department used the initial increase in package delivery as a justification to deny the borrowing authority, saying USPS does not need additional liquidity. However, the Postal Service cannot rely on revenue generated by package delivery, as the volume has started to decline.

With volume decline, revenue losses, and the Treasury Department denying assistance, the Postal Service is in dire circumstances. The PRC stated, “As a result of these losses and our liquidity concerns, we may not have sufficient cash balances to meet all of our existing legal



obligations and make all of the critical investments in our infrastructure that are necessary for operational continuity and that have been deferred in recent years.”

On May 15, the House previously passed the HEROES Act (H.R. 6800) which included \$25 billion in emergency funding for the Postal Service and removed borrowing stipulations, and on July 2, 2020, Senators Collins (R-ME) and Feinstein (D-CA) introduced bipartisan legislation, S. 4174, calling for similar assistance. In April 2020, the Republican led USPS Board of Governors requested financial assistance that included this \$25 billion in financial assistance. As you and your fellow members of the Senate construct language for the next stimulus package, I urge you to consider emergency funding for the United States Postal Service. This needed assistance will allow the Postal Service to survive the pandemic our nation is facing.

If you have questions, please contact NPMHU Legislative Director Katie Maddocks at kmaddocks@npmhu.org. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Hogrogian', with a long horizontal flourish extending to the right.

Paul V. Hogrogian
National President