



March 25, 2021

President Joseph R. Biden
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

As the Presidents of the American Postal Workers Union, the National Association of Letter Carriers, the National Postal Mail Handlers Union, and the National Rural Letter Carriers Association, and as the representatives of more than 500,00 postal employees, we request a meeting with you to discuss needed steps to improve the financial future of the United States Postal Service, an essential agency that employs a third of the federal civilian workforce.

As you may know, the USPS has reported considerable financial losses over the past fifteen years. These losses are not due to technological changes or the inability to economically process and deliver mail and packages to customers. Instead, they are largely due to public policy choices made by Congress related to the funding of future retirement benefits. The unique and unfair mandate to prefund retiree health benefits decades in advance, for example, accounts for 82 percent of the USPS losses since 2007. We are seeking bipartisan reform legislation to address these policies. But your administration could help with swift administrative action regarding accounting and actuarial practices related to the Civil Service Retirement System (CSRS).

In 2010, the Postal Regulatory Commission (PRC) issued a report calling for the use of private sector accounting practices to accurately calculate the Postal Service's CSRS liabilities and to fairly allocate CSRS liabilities between the postal and federal accounts within the Civil Service Retirement and Disability Fund, a trust fund managed by the Office of Personnel Management (OPM). The PRC found the Postal Service was being forced to pay an unfair and disproportionate share of CSRS pension liabilities in the comingled federal-postal pension fund. The Postal Accountability and Enhancement Act of 2006 (PAEA) gave the OPM the authority to correct these actuarial/accounting practices, which would add \$85 billion to the Postal Service's CSRS account and directed that the resulting surplus in the postal CSRS account be used to fund future retiree health benefits.

This change in practice can be accomplished by Executive Order. Directing the OPM to implement the recommendations of the 2010 PRC report would save the USPS several billions in annual amortization payments for the CSRS and the Postal Service Retirement Health Benefits Funds.

We would like to discuss with you and your staff the benefits of this "postal-only" calculation and how we all can work together to secure the financial future of the Postal Service. Thank you for your attention and consideration on this matter, and your continued support for working people and the public postal service.

Sincerely,

Fredric V. Rolando
President
National Association of Letter Carriers

Paul V. Hogrogian
President
National Postal Mail Handlers Union

Mark Dimondstein
President
American Postal Workers Union

Ronnie W. Stutts
President
National Rural Letter Carriers Association