

UPDATE

NAPS Leg/Reg Update - May 20, 2014

Issa Targets Door Delivery for Cost Savings

Rep. Darrell Issa (D-CA), chairman of the House postal oversight committee, has shifted gears. After GOP members of his committee balked at his recent, scaled-down postal reform proposal, he's come up with another idea -- one aimed at converting residential and business door delivery to less expensive options, primarily curbside or centralized delivery.

Issa is preparing to push his "delivery point modernization" proposal through his House postal oversight committee on Wednesday, on a likely party-line vote. (A draft version of Mr. Issa's proposal is [here](#).)

NAPS opposes the Issa proposal for falling short of the comprehensive reform the Postal Service needs. In a [statement](#) released today, NAPS Louis M. Atkins said, "There is wide consensus that comprehensive postal reform requires, first and foremost, realigning the retiree health prefunding payments schedule, which has been a massive burden upon the finances of the Postal Service. Rep. Issa's proposal does nothing to address that burden."

Atkins also said, "Rep. Issa's proposal heads in the wrong direction; it provides no funding for the Postal Service's purchase and installation of hundreds of thousands of curbside and centralized delivery boxes, nor the funding to provide for right-of-way placement of those boxes. These up-front costs will only drag down the Postal Service's finances further."

A [GAO report](#) released last week notes that the Postal Service estimates it could achieve more than \$2 billion in annual savings by mandatory conversion of 12.2 million door delivery points over the next decade to a mix of centralized and curblines boxes. However, GAO questions the accuracy of that cost estimate because it relies on 20-year-old data. Issa's proposal would require the Postal

Service to end door delivery to 15 million residences and businesses over the next ten years.

Nonetheless, Issa appears ready to charge ahead, asking questions later and taking political cover under a White House door delivery conversion proposal contained in its FY 2015 budget. Issa's proposal, unlike the Administration's, would charge postal patrons (an unspecified amount) who want to retain "legacy" door delivery.

The Carper-Coburn postal reform bill in the Senate, which was approved by the Senate postal committee in February, also would encourage door delivery conversion, but as part of a comprehensive set of reforms. The Senate bill is stranded and unlikely to reach the floor because of a "poison pill" provision, concerning guns in postal parking lots, inserted by Sen. Rand Paul (R-KY) during committee markup.

Door delivery today represents a little less than one-third of all USPS delivery points. According to USPS data, about 41 percent of current delivery points receive curbside delivery, about 30 percent receive centralized, and about 28 percent receive door delivery. Issa's bill would go after that 28 percent.

All new residential development construction provides for the installation of centralized mail delivery, and there are voluntary provisions for the conversion of door and curb delivery to centralized delivery. "This should remain the governing approach until Congress musters the will to undertake comprehensive postal reform," NAPS President Atkins said.

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