Congress of the United States Washington, DC 20515

April 30, 2020

The Honorable Mitch McConnell Majority Leader United States Senate Washington, DC 20510

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, DC 20515 The Honorable Charles Schumer Minority Leader United States Senate Washington, DC 20510

The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi and Minority Leader McCarthy:

We write to express our serious concern about the current financial state of the U.S. Postal Service and to urge you to include strong funding for the agency in future COVID-19 relief legislation.

The Postal Service is facing an existential crisis that has been building for more than a decade. The agency has lost nearly \$70 billion over the previous 11 years, including nearly \$9 billion last year alone. The agency's total debt and unfunded liabilities are now twice the size of its annual revenue. Congressional action to address this problem is long overdue.

The Postal Service's unsustainable debt is now severely exacerbated by the COVID-19 pandemic, which is causing sharp declines in revenue and increased costs to the agency. Mail volume dropped by a third in the first quarter of this year and is projected to drop by 50 percent in the second quarter. The Postal Service projects a \$13 billion revenue loss this fiscal year.² This extreme revenue shortfall comes at the same time as the Postal Service is also facing increased costs due to the amount of personal protective equipment needed to keep workers safe and healthy during this pandemic, as well as the challenge of maintaining delivery standards as workers fall sick.

¹ https://www.gao.gov/key issues/us postal service financial viability/issue summary

² https://www.nytimes.com/2020/04/09/us/politics/coronavirus-is-threatening-one-of-governments-steadiest-services-the-mail.html

Every community in the United States relies on the essential services provided by the Postal Service, and this is more true now than ever. The country's experience during this pandemic is demonstrating the degree to which Americans, especially seniors and the immunocompromised, depend on the Postal Service for essential deliveries, including medications, stimulus checks and tax refunds. The Postal Service supports businesses across the country as they order supplies and send products to consumers. It also supports our democracy, as increasing numbers of Americans prepare to vote by mail in upcoming elections. In rural areas especially, the Postal Service is a critical lifeline.

Nationally, more than 630,000 people are employed by the Postal Service,³ including more than 3,300 in New Hampshire. They are risking their health to continue to provide this vital support to families and businesses around the country. We must ensure that they have the protective equipment they need to stay safe and that the Postal Service continues to be able to provide the paychecks and benefits they have been promised.

The President's recent attempt to use this crisis to force the Postal Service to quadruple its rates⁴ is outrageous and further demonstrates the urgent need for Congress to act now. Americans, especially seniors and small business owners, cannot afford these sudden increased costs, particularly during this time of extreme financial difficulty.

We appreciate that the Coronavirus Aid, Relief, and Economic Security (CARES) Act included a provision allowing the Postal Service to borrow up to \$10 billion from the U.S. Treasury to cover operating expenses. However, this provision falls far short of the relief necessary to address this crisis. The Postal Service Board of Governors, of which the majority of members were appointed by President Trump, has requested \$25 billion in immediate emergency funding for the Postal Service. Substantial financial relief from Congress is urgently needed in the next legislative package.

We urge you to provide this needed financial support for the Postal Service in upcoming legislation.

Sincerely,

Jeanne Shaheen

United States Senator

Margaret Wood Hassan United States Senator

³ https://facts.usps.com/wp-content/uploads/2019 POSTAL FACTS WEB COMPANION.pdf

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⁴ https://www.washingtonpost.com/us-policy/2020/04/24/trump-postal-service-loan-treasury/

Ann McLane Kuster

Ann McLane Kuster Member of Congress Chris Pappas
Member of Congress

CC:

The Honorable Ron Johnson, Chairman, Senate Committee on Homeland Security and Governmental Affairs

The Honorable Gary Peters, Ranking Member, Senate Committee on Homeland Security and Governmental Affairs

The Honorable Carolyn Maloney, Chairwoman, House Committee on Oversight and Reform The Honorable Jim Jordan, Ranking Member, House Committee on Oversight and Reform