



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 21, 2020
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 8015 – Delivering for America Act
(Rep. Maloney, D-NY, and 38 cosponsors)

The Administration strongly opposes passage of H.R. 8015. Instead of reforming the United States Postal Service (USPS) to ensure its continued viability in the modern economy, H.R. 8015 would arbitrarily give USPS \$25 billion in “emergency” taxpayer funding, without linking that funding to either the COVID-19 pandemic or the upcoming election. The bill would also prohibit “any change in the nature of postal services which will generally affect service on a nationwide or substantially nationwide basis,” and would explicitly tie this freeze on reforms to the period of the COVID-19 public health emergency. By doing so, H.R. 8015 seeks to exploit the COVID-19 pandemic as a pretext for placing counterproductive restrictions on USPS’s already limited operational flexibilities.

This bill misses an opportunity to improve USPS. In December 2018, the President’s Task Force on the United States Postal System provided recommendations to Congress to set a course for USPS to operate under a sustainable business model, which would provide necessary mail services to citizens and businesses while competing fairly in commercial markets. Although implementing these recommendations is even more pressing today, as USPS proactively works with State election officials to prepare for Election Day on November 3, 2020, this bill ignores them. Instead, it would impose burdensome new requirements on USPS that would make it even harder for USPS to deliver election mail. Furthermore, this bill would create a private right of action against USPS for anyone claiming to have been harmed by its operational reforms. If enacted, this provision would mark a radical shift in the legal framework governing USPS operations and could subject the already heavily indebted agency to substantial litigation costs and risks. The trial lawyers would benefit, while those who rely on USPS would suffer.

This bill is an overreaction to sensationalized media reports that have made evidence-free accusations that USPS has undertaken reforms to achieve political rather than operational objectives. USPS has not changed its service standards this year. And the reforms it has pursued have been the continuation of incremental reforms USPS has pursued under the leadership of three successive Postmaster Generals, each of whom was selected by an independent and bipartisan Board of Governors. The Administration regrets that some have chosen to politicize required operational changes at USPS, but it nevertheless appreciates Postmaster General Louis DeJoy’s commitment to delay these needed changes until after the election. The broad prohibitions included in H.R. 8015 would serve only to further a false political narrative and introduce additional constraints on the ability of USPS to deliver life-saving drugs, critical packages, economic relief payments, and election mail.

USPS does not need a \$25 billion bailout. It needs reforms that will return it to a trend of long-term financial self-sufficiency. USPS has stated that, under current authorities, it has sufficient financial liquidity to maintain operations until August 2021. As of June 30, 2020, USPS is in a strong cash position with almost \$13 billion in reported cash on hand. Additionally, USPS recently announced an agreement in principle with the Treasury regarding the terms for up to \$10 billion in support authorized by the CARES Act if needed to fund its operating expenses due to the COVID-19 pandemic. As a result, there is no reason to suspect that USPS, which handled an average of 2.7 billion pieces of mail per week in 2019, will have any difficulty handling mail volume associated with the 2020 election unless Congress puts in place new requirements that make this important work more difficult.

The Administration looks forward to working with Congress on comprehensive legislation that will provide additional financial support to hardworking Americans who have been most severely affected by the economic consequences of the COVID-19 pandemic. This legislation could also include financial or operational flexibilities to help USPS continue to provide critical services to the American people. H.R. 8015 takes the opposite approach, however, and only adds to the significant challenges already facing USPS.

If H.R. 8015 were presented to the President, his advisors would recommend that he veto the bill.

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