

# United States Senate

WASHINGTON, DC 20510

February 15, 2013

Patrick R. Donahoe  
Postmaster General & Chief Executive Officer  
United States Postal Service (USPS)  
475 L'Enfant Plaza, SW  
Washington, D.C. 200260

Dear Postmaster General:

We write to express our concerns regarding the recent announcement that the Postal Service intends to end Saturday mail delivery service later this year. We understand the Postal Service faces serious financial challenges, and we remain committed to working with you to find a solution to the Postal Service's long-term financial viability as we did last year to pass bipartisan postal reform legislation through the Senate. However, we believe a piecemeal strategy that focuses on cutting services and forgoes a critical competitive advantage is not the solution. Instead, we need a comprehensive postal reform bill that allows the Postal Service to modernize while protecting its crucial obligations and services.

First, we believe your proposal does not comply with the existing statutory requirement to continue six-day delivery and rural delivery mail services at no less than the 1983 levels. As such it is in violation of P.L. 112-175, the Continuing Appropriations Resolution which extends the Consolidated Appropriations Act of 2012, P.L. 112-74. Section 101(a) of P.L. 112-175 specifically extends the funding levels of the FY12 appropriations law, "under the authority and conditions provided" in the previous funding resolution, except as otherwise stated in the CR. The CR does not contain language abrogating the FY12 provision which requires the USPS to maintain six-day delivery.

It appears that as recently as last year, the Postal Service did not believe it had the authority to end six-day delivery without legislative action by Congress. For example, in the USPS's "Plan for Profitability," released on February 6, 2012, savings for five-day delivery were categorized under the heading of "legislative initiatives." Furthermore, you personally delivered testimony before the Senate Homeland Security and Governmental Affairs Committee on September 6, 2011 where you noted that "Congress must act ... [to] allow the Postal Service the authority to determine delivery frequency." Accordingly, we request that you provide a detailed legal justification for this proposed change.

It is our understanding that this change is driven by an effort to reduce costs. However, it is unclear that the shift to five-day service will benefit USPS in the long-term. In fact, a 2012 USPS-commissioned survey found that service cuts resulting in a 7.7 percent reduction in volume will lead to a \$5.2 billion loss in revenue the first year alone. Similarly, an earlier 2011 GAO report found that moving to five-day service would put mail volumes and revenues at risk. In other words, it could help push the USPS further down the spiral. Specifically, GAO noted that USPS may have overestimated savings by as much as \$500 million and that USPS may have

underestimated the reduction in volume likely under five-day service. Businesses that currently utilize USPS services have raised concerns that reducing services will decrease the value of mail, especially periodicals who stated that they “will most likely accelerate shifting their hard copy mail to electronic communications or otherwise stop using USPS if it is unable to provide reliable service as a result of these changes.”

Importantly, moving to five-day service will result in the loss of approximately 70,000 jobs. Of these, the National Rural Letter Carriers Association projects that a minimum of 20,000 would affect rural communities. With the national unemployment rate at 7.8 percent, moving to five-day delivery will hurt middle class families.

The change to five-day service is not simply a move to deliver mail on the next day; it will require an overhaul of mail collection and processing times that may affect estimated savings and hurt USPS in the long-term. The Postal Service has made several other unilateral decisions, such as terminating overnight mail delivery in the Midwest and Mountain West and accelerating consolidations that run the risk of making the Service irrelevant in large portions of the country. With members of Congress making progress on a comprehensive bill, further changes would set the precedent for a piecemeal approach and potentially further delay much needed legislation. We urge you to reconsider your decision and not take this action unless authorized by Congress.

Sincerely,

Tom Udare

Shirrod Brown

Jon Tester

Tom Amodeo

Amy Klobuchar

Ben Rayburn

My Berman

Al Franken

Jeffrey A. Merkley

Rebbie Stabenow

Jeanne Shaheen

Ron Wyden

Paul Beuch  
Elizabeth Ham  
Margi K. Ariano  
Jack Beel  
John Home  
Heidi Heitkamp

Carl Hein  
Walter  
Bert Sanders  
Wm F. B. A.  
Marl Udall  
Brian Scholz