

**Statement of
Postal Rate Commissioner Tony Hammond
Before the Senate Committee on Homeland Security and Governmental Affairs
May 19, 2005**

Thank you, Madam Chairman and Members of the Committee, for inviting me to appear this morning. I especially appreciate the serious consideration that you have given to postal issues during the time I have served on the Postal Rate Commission.

I would like to thank Senator Bond for taking time to be here today to introduce me again to this Committee. As a native Missourian, I know we feel honored that he has devoted almost 30 years to public service on our behalf.

I also want to congratulate Governor's Gallagher and Guiliano on their appointments. I know they are joining a committed team at the US Postal Service.

Since the time I was originally before this Committee almost three years ago, until this past month, the Postal Rate Commission did not have an Omnibus Postal Rate case come before us.

The stability in postage rates for over three years has been very beneficial to the American public. I know it was largely the result of congressional action and has made a major difference in the mailing industry in this country.

However, during the time I have served as Commissioner and Vice Chairman, we have been active on a number of issues dealing with postal rates and efficiencies.

The Postal Rate Commission has adopted initiatives designed to improve flexibility in the rate-making process through Negotiated Service Agreements (NSA's) between the Postal Service and mailers.

We have adopted rules of practice requiring the Postal Service provide "roadmap" testimony in Omnibus Rate Case filings so ratepayers can more quickly identify changes that affect them.

We have attempted to increase the Postal Services' financial transparency by adopting rules directing the Postal Service to provide relevant financial and operating reports, in order to reduce the need for discovery and to shorten rate hearings.

The Postal Rate Commission has also recommended approval of a number of experimental products which allow the Postal Service to increase services in its core mission, which is the delivery of the mail.

These are just some of the activities that the Commission has been active in since the Senate confirmed me to the unexpired term in 2002. I am grateful for that opportunity to serve.

If confirmed for a full term at the Postal Rate Commission, I will continue to handle all cases and issues before us in a fair and responsible manner and, again, thank you for giving me this opportunity today. I would be pleased to answer any questions you might have.