

Press Release

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PRC Chairman Cites Progress under PAEA, Offers Ideas to Ease Postal Service Financial Crisis and Protect Universal Service

Washington, DC – Postal Regulatory Commission Chairman Ruth Y. Goldway today called for a review of the Postal Service’s liability and payment schedule to fund its Retiree Health Benefit fund (RHBF) and cautioned that cuts in postal services to reduce costs could jeopardize universal mail service for the Nation.

Testifying before the House Subcommittee that oversees the Postal Service, Goldway noted that “service cuts made to address near-term financial difficulties may have harmful long-term consequences for universal service.” Goldway suggested a “better alternative” and pointed to a Commission study that found a recalculation of the RHBF liability could lead to significantly lower annual payments by the Postal Service – currently averaging \$5.5 billion per year – while still meeting the original objectives of the law.

Goldway also cited progress made by the Postal Service in using competitive flexibilities provided by the Postal Accountability and Enhancement Act (PAEA) and encouraged the Postal Service to introduce further initiatives. “I was pleased to see the Subcommittee’s support for expanded Postal Service partnerships with Federal and state agencies that would provide increased convenience for citizens, while enhancing the relevance and revenue of the Postal Service,” Goldway said. “The sale of ‘America the Beautiful’ access passes on behalf of the National Park Service is a partnership I have been advocating.”

Goldway also suggested that the Postal Service’s large vehicle fleet could provide a platform to develop transformational technologies and infrastructure to meet national energy goals. “A national investment in a new electric delivery fleet for the Postal Service would speed transformation, add green jobs and reduce the Postal Service’s operational overhead for the foreseeable future,” she said.

The Chairman concluded her remarks by underscoring the value of the mail to society and the economy and the vital role played by mail, letter carriers and post offices in local communities. “How well the mail comes back, however, may well depend on how deeply service is cut now,” she warned.

A full text of Chairman Goldway’s testimony is available [here](#).

- 30 -

The Postal Regulatory Commission is an independent federal agency comprised of five Presidentially-appointed and Senate-confirmed Commissioners, each serving terms of six years. The Chairman is designated by the President. In addition to Chairman Goldway, the other Commissioners are Vice Chairman Tony Hammond, Dan Blair, Nanci Langley, and Mark Acton.