

Press Release

January 28, 2009

PRC Chairman calls for more financial transparency as part of financial relief legislation for the U.S. Postal Service

Washington, DC – Postal Regulatory Commission Chairman Dan G. Blair testified on the need for increased transparency of U.S. Postal Service financial information during a hearing today before the Senate subcommittee which oversees the Postal Service.

Blair told Sen. Tom Carper and subcommittee members, “Today, the Postal Service is facing troubling financial difficulties that stand to worsen before they improve. The economic downturn comes on the heels of continued diversion of single-piece First Class Mail to e-mail and electronic bill payments. The cumulative result of these events has been the most severe volume declines since the Great Depression and significant financial losses for the Postal Service.”

Blair explained to subcommittee members that the Postal Service has only a limited number of options available for financial relief. “Given the Service’s limited choices, a temporary adjustment to the Service’s health benefit payment schedule would appear to be the most pragmatic approach for the short term. However, Congress should consider carefully the impact of allowing the Postal Service early access to the Retiree Health Benefits Fund to meet current needs without a plan for ensuring sustainability of the fund to address the long-term health benefit liabilities,” noted Blair.

Blair emphasized the heightened need for financial transparency, especially during these challenging economic times. He recommended that Congress require, as part of any relief legislation, the Postal Service to provide Congress, the Commission, and the General Accountability Office with a comprehensive, forward-looking financial plan, as well as monthly reporting so that the public has access to timely, relevant financial information.

Chairman Blair’s statement may be viewed at www.prc.gov.

- 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 Blair, the other Commissioners are Vice Chairman Nanci Langley, Ruth Goldway, Tony Hammond, and Mark Acton.
