



BOARD OF GOVERNORS

**PRESS RELEASE**

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## **Oral Statement of USPS Board of Governors Chairman Ron Bloom Before the House Committee on Oversight and Reform**

WASHINGTON, DC – *Below is the oral statement prepared for delivery by Postal Service Board of Governors Chairman Ron Bloom before today's hearing by the House Committee on Oversight and Reform.*

"Chairwoman Maloney, Ranking Member Comer, and members of the Committee, thank you for inviting me to appear before you today.

My name is Ron Bloom, and I am honored to Chair the Board of Governors of the United States Postal Service.

This is not my first involvement in public service. I served in the Obama Administration, first as a member of the Auto Task Force helping to lead the restructuring of GM and Chrysler and later on the White House Staff.

In my 40-plus-year career, I have held leadership roles in both labor unions and financial institutions specializing in restructuring and revitalizing large complex organizations.

In addition to the Postmaster General, I am joined on the Board by five other governors, each of whom bring significant relevant experience to our task.

My involvement with the Postal Service began a decade ago as an advisor to its largest union – the National Association of Letter Carriers.

That experience – along with my work on the Board – has only deepened my appreciation for the extraordinary dedication of the more than 645,000 women and men of the United States Postal Service.

Throughout this pandemic, Postal Service employees performed with distinction. This was most evident during last November's election, as they delivered 4.6 billion pieces of election and political mail and ensured that 99.89% of mailed ballots were sent back to election officials within our guidance to voters.

Our peak season began immediately thereafter and while the Postal Service delivered 1.1 billion packages over the holidays, we fell far short of our service targets.

With COVID sidelining thousands of our employees, many Americans -- including your constituents -- experienced significant delays in the delivery of mail and packages.

This level of service is acceptable to no one at the Postal Service and we are working to urgently address this challenge.

But as we improve service – and we are and we will – we must face some hard truths. As presently constituted the Postal Service's ability to serve its twin mandates of binding the nation together and being financially self-sufficient, is profoundly threatened.

For too long, the Postal Service has been burdened with unsustainable liabilities and its own failure to adapt to the changing needs of its customers.

As we look ahead, if we continue on our current path, we are projected to lose \$160 billion over the next ten years.

But for the Postal Service to succeed in the long-term, we can't just throw money at the problem. We must address the systemic issues plaguing its outdated model.

For these reasons, the Postmaster General and Postal management have been working with the Board of Governors on a comprehensive plan to invest in and revitalize the Postal Service.

This plan is still being finalized so I am not in a position to reveal any specifics today. But I can tell you that its focus is on ensuring that the Postal Service is able to meet our universal service obligation in a reliable and affordable manner to 161 million American households six and seven days each week.

This plan will require tough choices. As I mentioned earlier, I have significant experience in revitalizing and restructuring large complex enterprises – including the integrated steel industry, GM and Chrysler and dozens in between. And if I have learned one thing it is that the single largest impediment to achieving a successful outcome is that stakeholders will support the abstract need for change, but will seek to avoid any change that impacts their particular interest. Successful restructuring simply cannot work that way. We must all be ready to do our part.

Congress has a vital role to play. Our plan will ask you to give the Postal Service relief from its current requirement to pre-fund its retiree health benefits and that we be allowed to fully integrate our retiree health plans with Medicare.

These changes will save us approximately \$40 billion or about 25% of the hole we are trying to fill.

We will also be asking the Biden Administration to calculate our obligation to the CSRS Pension Plan using modern actuarial principles that more fairly apportion our responsibility, which will save an additional \$12 billion.

Today, the Postal Service stands at a cross-road, facing enormous challenges and significant opportunities.

What happens next is up to us.

We can continue to ignore these challenges and demand that nothing changes while this great organization is allowed to die, or we can come together and do something really important for the United States Postal Service and the people we serve.”

*Note: Chairman Bloom’s written statement is available [here](#).*

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