

**ORAL STATEMENT OF
POSTMASTER GENERAL AND CHIEF EXECUTIVE OFFICER**

Louis DeJoy

before the

Senate Committee on Homeland Security and Governmental Affairs

“Oversight of the United States Postal Service”

United States Senate

April 16, 2024

Good morning, Chairman Peters, Ranking Member Paul, and Members of the Committee.

I welcome the opportunity to testify today and describe and discuss the challenges that face the U.S. Postal Service and the opportunities for our future.

I commend the Committee and Chairman Peters for passage of the *Postal Service Reform Act of 2022* (PSRA).

Thankfully, PSRA clarified long-standing questions and solved several legacy retirement issues which are immensely helpful to our long-term prognosis.

However, as important for our current discussion, PSRA did not legislate solutions for our operational problems or ensure our financial survival. Instead, more work needs to be done, and the PSRA confirmed that it was up to the Postal Service to take the appropriate and necessary actions to save the Postal Service fully.

With the PSRA now the law, I am not here with specific legislative requests of this Committee. Instead, what we need now is for our stakeholders to support us in the implementation of key self-help initiatives outlined in the Delivering for America, or DFA, plan that are critically necessary and that will ultimately enable our operational and financial success.

I remind this Committee that the DFA plan played an important role in gaining support for the passage of the Postal Reform Act in 2022.

In addition to the reversal of the unfair requirement to prefund retiree healthcare benefits, certain foundational underpinnings of the DFA were in fact incorporated in the legislation, such as six-day-a-week delivery and operating an integrated mail and package network.

I also offer to the Committee that the DFA very much aligned with our legislated requirement to be financially self-sustaining, a fundamental business model concept to which I am fully and firmly committed, and which is at the core of almost every initiative of the DFA plan.

As Senators, you understand the Postal Service had been in a financial and operational death spiral for the 14 years prior to my arrival in June of 2020 and had no effective plan to improve operations or curtail financial losses. The Postal Service was destined for financial collapse.

But for the initiatives identified in the DFA plan, and the actions we are now taking to remedy the untenable and unsustainable financial, organizational and operational condition I found the Postal Service in when I assumed this position, there are simply no alternative strategies I have seen that holistically address the legacy ailments within the constraints that exist and put us on the path to long-term viability.

When I last appeared before this Committee, I was a few months into my tenure at the Postal Service and the nation and the Postal Service were amid a global pandemic.

The pandemic demonstrated the Postal Service's essential and fundamental value to the nation's critical infrastructure, and our unique ability to reach every American daily.

I now appear before you with 3½ years of heightened understanding under my belt, and with a sense of urgency regarding the need to ensure the Postal Service's financial and operational staying power.

Today, I have a formidable team alongside me — the men and women of the United States Postal Service — working harder and smarter than ever to transform this organization so it has a relevant and viable future of service to the American people.

I am proud of their efforts. This committee should be proud of their efforts. The American people should be proud of their efforts.

The Committee should be fully aware of the significant progress we have made on our 10-year strategic plan, the DFA plan, as well as the significant obstacles that lay ahead.

We remain firm in our position that the status quo is not an option if we want a financially self-sufficient Postal Service that provides the high-quality service expected of us far into the future.

I ask that you recognize that our pursuit of long-term viability should have begun over a decade earlier and that the damage inflicted on the organization by all stakeholders failing to react, evolve or engage has produced an organization that was defeated and locked into strategies of the past that proved self-destructive in a modern American economy, and given the volume and mail mix changes.

As a result, the road to success will not be a straight or easy path. Rather, it will be a series of accomplishments, struggles and recoveries that will be uncomfortable at times.

However, in the end, we will not only produce the operating and financial successes to which we aspire, but we will also advance the institutional culture of the organization, enabling us to engage in our future in a much more logical, organized, confident and successful manner.

Starkly different from how we engaged our recent past.

My hope is that all stakeholders recognize the challenges this management team faces in stemming its losses, reconstituting its infrastructure, and breaking down long-standing practices that have deprived the American people of a viable Postal Service and that they join us in accomplishing the ongoing improvements to which we aspire.

I look forward to answering any questions you may have.