

## **EXECUTIVE OFFICE OF THE PRESIDENT**

OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

February 7, 2022

(House Rules)

## STATEMENT OF ADMINISTRATION POLICY

H.R. 3076 – Postal Service Reform Act of 2022

(Rep. Maloney, D-NY, and 102 cosponsors)

The Administration supports House passage of H.R. 3076, the Postal Service Reform Act of 2022. The United States Postal Service and its dedicated employees provide an essential public service and the critical public infrastructure for the delivery of mail and packages to all Americans in every corner of the country. The Postal Service provides crucial support to millions of Americans, including our Nation's veterans, including by ensuring their ability to vote and providing access to prescription medications. Furthermore, the Postal Service is an indispensable complement to and foundational support for American businesses and communities.

The Administration supports efforts to strengthen the United States Postal Service, including by providing Postal employees with the dignity, fair pay, and employer-provided benefits they have earned. The Administration is committed to ensuring that the Postal Service delivers the highest quality, most reliable service possible to every American. This legislation would advance these goals in several ways.

Under current law, the Postal Service is required to annually prepay future retirement health benefits, a requirement not imposed on most other public or private entities. Consistent with the President's longstanding commitment, H.R. 3076 would repeal this requirement, which unfairly and unnecessarily burdens the Postal Service.

H.R. 3076 would also establish a new, separate Postal Service Health Benefits Program (PSHBP) within the existing Federal Employees Health Benefits Program (FEHBP), that integrates Postal employees and annuitants into Medicare. Making these changes would improve the Postal Service's long-run financial outlook, without sacrificing quality, affordable health coverage for Postal employees and retirees. The Administration is mindful that these reforms would impose administrative burdens on the Office of Personnel Management and FEHBP, and further, that there could be potential challenges with operationalizing Medicare integration and with ensuring ongoing funding to support administration of the new PSHPB. The Administration looks forward to working with Congress to ensure that the goals of H.R. 3076 are met in an efficient, equitable, and cost-effective manner, while safeguarding the continued stability of the FEHBP.

Finally, H.R. 3076 would establish new transparency and reporting requirements for the Postal Service and its regulator, the Postal Regulatory Commission; require the Postal Service to provide semi-annual reports to Congress on the implementation of its strategic plan; provide for a public dashboard using nationwide delivery metrics to track delivery performance; and mandate a review of the costing of competitive and non-competitive products. The Administration supports these efforts to improve accountability, reliability and transparency at the Postal Service.

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