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Options to Bring the Postal Service Back from Insolvency
Committee on Oversight and Government Reform
Congressman Cardenas
Wednesday, April 17, 2013

- Thank you Chairman Issa and Ranking Member Cummings for calling this important hearing today to discuss how we can solve the great problems facing the United States Postal Service.
- The Postal Service is America: it reaches every corner and ensures that every citizen can remain connected and communicate as our country changes throughout time. It ensures that people, like some my constituents, who have been left behind by the digital divide can still send and receive letters from their families or loved ones.
- It allows for millions of seniors to receive the medications critical to their health in a timely fashion and delivered right to their doorstep. It also allows millions of small businesses to send and receive packages and carry on with their commercial activity day in and day out.
- The Postal Service handles 40 percent of all the world's mail volume. That is truly impressive and I can't imagine the negative impact that any reduction in operations would have on the delivery of this correspondence.
- At the same time, the post office faces immense challenges, both within and from outside market forces. This committee has often heard the cost savings that be gained by switching from streetside mailboxes to clustered boxes.
- However, the committee has also heard about the massive pension contribution cost faced by the Postal Service. Half this dais refuses to acknowledge the simple fact that the Postal Service is the only agency under the control of government that is forced to pre-fund every single employee's pension. We all recognize that the pension fund, now in question, is grossly overpaid and almost fiscally irresponsible.
- The Postal Service also faces challenges from private delivery service, which cannot possibly accomplish the universal delivery mandate the post office proudly achieves. It is no surprise since they are far more agile and capable when it comes to monetizing their service options, and creating new revenue streams.
- We must do our best as a committee to address both the internal challenges faced by the United States Postal Service, and to create a greater ability to compete in the public square for value-added delivery customers.
- As a legislator for many years, I am well aware of this issue and one that I believe is imperative to resolve. As it stands, the current situation is absolutely unsustainable and if we do not find solutions and allow the Postal Service to realign its business

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model we will witness the breakdown of this institution that has been part of America for over 200 years!

- It is in our best personal and commercial interest to have these discussions, implement solutions, and I look forward to learning more about our options and hearing what the witnesses have to say today.