

Oral Statement of Postmaster General Louis DeJoy Before the U.S. Senate Committee on Homeland Security & Governmental Affairs

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Below is the oral statement prepared for delivery by Postmaster General Louis DeJoy before today's hearing by the U.S. Senate Committee on Homeland Security & Governmental Affairs. "Good morning, Mr. Chairman, Ranking Member Peters, and members of the Committee. Thank you, Chairman Johnson, for calling this hearing. I'm proud to be with you today on behalf of the 630,000 dedicated women and men of the United States Postal Service.

On June 15th, I became America's 75th Postmaster General.

I did so because I believe the Postal Service plays a tremendously positive role in the lives of the American public and in the life of the nation. I also welcomed the opportunity to lead this organization because I believe there is opportunity for the Postal Service to better serve the American public, and to also operate in a financially sustainable manner.

Congress established the Postal Service to fulfill a public service mission to provide prompt, reliable, and universal postal services to the American public – in an efficient and financially self-sustaining fashion. Our ability to fulfill that mandate in the coming years is at fundamental risk. Changes must be made to ensure our sustainability for the years and decades

ahead. Our business model – as established by Congress – requires us to pay our bills through our own efforts. I view it as my personal obligation to put the organization in a position to fulfill that mandate.

With action from Congress and our regulator – and significant effort by the Postal Service – we can achieve this goal. This year, the Postal Service will likely report a loss of more than \$9 billion. Without change, our losses will only increase in the years to come. It is vital that Congress enact reform legislation that addresses our unaffordable retirement payments. Most importantly, Congress must allow the Postal Service to integrate our retiree health benefits program with Medicare, which is a common-sense practice followed by all businesses that still offer retiree health care. It must also rationalize our pension funding payments.

Legislative actions have been discussed and debated for years, but no action has been taken. I urge the Congress to expeditiously enact these reforms. I also urge Congress to enact legislation that would provide the Postal Service with financial relief to account for the impacts of the COVID-19 pandemic on our financial condition. The Postal Regulatory Commission began a mandated review of our pricing system 4 years ago. It has been 3 years since the commission concluded that our current system is not working. The lack of action is astonishing.

We urgently require the PRC to do its job and establish a more rational regulatory system for our mail products.

Had Congress and the PRC fulfilled their obligations to the American public concerning the Postal Service, I am certain that much of our \$80 billion in cumulative losses since 2007 could have been avoided, and that our operational and financial performance would not now be in such jeopardy. The Postal Service must also do its part. We must adapt to the realities of our marketplace, generate more revenue and control costs. I believe we can chart a path for our business that accomplishes these goals.

In my 67 days as Postmaster General, I have also had the chance to observe the many hidden strengths of the organization, and to appreciate our critical mission of service to

the American public. Despite our deep, longstanding financial problems, there is an incredibly strong base to build upon – and a tremendous desire of the public for the Postal Service to succeed. As we head into the election season, I want to assure this committee and the American public that the Postal Service is fully capable and committed to delivering the nation's election mail securely and on-time.

This sacred duty is my number one priority between now and election day.

Mr. Chairman, the women and men of the Postal Service have demonstrated extraordinary commitment to our mission of service throughout the COVID-19 pandemic. In every community in America, we continue to work to keep our employees and customers safe as we fulfil our essential role in delivering medications, benefit checks and financial statements the public depends upon. Since the beginning of the pandemic, there has been a public outpouring of support for postal employees as they performed their essential service throughout the nation. This is a well-deserved testament to their dedication.

Mr. Chairman; Ranking Member Peters; I look forward to working with you and this committee and our stakeholders to restore the financial health of the United States Postal Service and to improve the way we serve the American public.

have."

This concludes my remarks. I welcome any questions that you and the committee may

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