

Hello to All,

It is with great pleasure that I will begin a monthly article on our legislative affairs. As your Oregon State VP and State Legislative Chair I am going to try to keep you informed on our activities both at the state level and at the national level. Here are a few of the items that are currently happening and what is putting your SPAC contributions to work:

### **NAPS and Postmaster Organizations Say “No” to Pay Concessions**

*The three postal management organizations today informed the Postal Service that they will not agree to either forego or defer the upcoming NPA payouts scheduled for January 2009.*

*During a meeting with the Postal Service and in a [joint letter](#), the presidents of the National Association of Postal Supervisors, the National Association of Postmasters of the United States, and the National League of Postmasters advised the Postal Service that USPS did not have the right “to demand that we re-open pay consultations or change the pay agreement in any way.”*

*The management organizations indicated that the overwhelming feedback received from their members supported retention of the financial recognition of supervisor and postmaster performance, scheduled for January 2009, and that the payouts cannot be stopped.*

*Meeting discussions, as recorded in the [meeting minutes](#), also covered the recent NALC agreement on route evaluations, District Support positions, Area and District consolidations, Tour Two plant operations and 10 hour/4 day workweeks*

### **USPS Seeks to Realign Its Retiree Health Benefit Obligations**

*Looking to defray its operating costs, the Postal Service is seeking quick Congressional relief from its obligation to pre-fund future retiree health benefits by redirecting a portion of the amount it pays for future retiree health benefits costs to cover its current employer's share for retiree health benefit premiums. The Postal Service is seeking Hill approval of the payment arrangement before the end of the 110th Congress.*

*USPS payments for future retiree health benefits represent a considerable financial obligation. In FY 2008, USPS made a \$5.6 billion payment into the Retiree Health Benefits Fund (RHBF) to pre-fund retiree health benefits.*

*The arrangement the USPS is pushing on Capitol Hill would reduce the amount the Postal Service pays into the RHBF by \$2.3 billion in FY 2009, and \$28.1 billion through 2016. The Postal Service's pre-funding payments after 2016 would grow in order to make up the difference.*

*Currently, the Postal Service pays approximately \$2.3 billion a year to OPM for the employer share of health benefits for retired postal workers and approximately \$5.4*

*billion annually into the RHBF for future retiree health benefits. The pre-funding rearrangement was imposed by the [Postal Act of 2006](#) in order to assure that the Postal Service retained the means to satisfy its massive future retiree health benefit obligations, especially in light of the escalating costs of health care and uncertainty over future USPS finances.*

As I stated at the beginning of this article, your SPAC contributions have contributed directly to assist in the pay talks that the Postal Service is attempting to re-open. I am asked on many occasions what can NAPS do to change our work environment and what are we doing. Many have the opinion that we are an organization that consults with the Postal Service and that in essence we have no teeth as the unions do. On one hand this is true, on the other hand our organization has the benefit of the backing of Congress and the Senate on many of our issues. Each year we end up on Capitol Hill and again get renewed commitment from our lawmakers to support our causes.

A couple of direct changes to the Postal Service are a direct result of our Lawmakers. First and foremost is Postal Reform. Our contributions and direct contact with these folks has resulted in the Postal reform Act which will keep us a vibrant company well into the future.

Another direct result of you SPAC contributions is what follows when the Postal Service attempted to reopen pay negotiations and, in essence, affect our NPA Pay raises:



October 30, 2008

Douglas A. Tulino  
Vice President, Labor Relations  
United States Postal Service  
475 L'Enfant Plaza, SW  
Washington DC 20260-4100

Dear Doug,

We have now held several meetings concerning the Postal Service's request for the management organizations to consider foregoing their expected NPA increases that are due to be paid out in January, 2009. You even had the opportunity to meet with the executive board of the National Association of Postal Supervisors to lay out the issues that are facing the Postal Service.

All of the management organizations have held extensive conversations with our respective executive boards to get their feedback on the request that you made in behalf of the Postal Service. Owing to the substantial leaks that have also occurred in this matter, we have also heard from our members in the field.

Based on all of the internal deliberations of our respective organizations, we cannot agree to either forego or defer the upcoming NPA payouts scheduled for January 2009. The attorneys with whom we have consulted on this issue believe that the Postal Service does not have the right to demand that we re-open pay consultations or change the pay agreement in any way.

With our joint decision stated, we still want to be a resource for and a partner with the Postal Service as you determine the changes that must be made to economize our operations and reduce costs while still meeting the mission of the Postal Service.

The management organizations stand ready to support the Postal Service in its' objectives to change some of the legislative rules that have financially strapped the Postal Service. It is our hope that you will continue to seek the input from all of the management associations.

Sincerely yours,

Ted Keating  
President  
National Association  
Of Postal Supervisors

Dale Goff  
President  
National Association  
of Postmaster of  
the United States

Charley Mapa  
President  
National league of  
Postmasters

Thank you to all for your efforts and hard work that you perform each and every day.

Happy Holidays and have a safe new year,

Joe Lahmann  
Legislative Chair