

Statement of House Oversight and Government Reform Committee Chairman Darrell Issa
Senate Homeland Security and Government Affairs Committee Hearing: "Solutions to the Crisis Facing the U.S. Postal Service"

Thank you Chairman Carper, Ranking Member Coburn, and members of the Committee for inviting me to this hearing to discuss an issue that touches everyone in this country.

The Postal Service today faces the greatest crisis in its history.

As electronic communications and commerce replace traditional paper-based communications, mail volume has fallen more than 25 percent from its peak and will continue to fall.

Annual postal revenue has fallen more than \$10 billion and the Postal Service itself projects a continued decline.

Last year alone, the Postal Service lost \$15.9 billion and it has lost money each of the last 6 years.

The result: hardworking taxpayers are paying the price for Washington's inaction.

Last week, the Postal Service announced a plan to modify Saturday delivery beginning in August.

The decision to transition to **modified six-day service** is the right choice. The postal service must pursue this cost-cutting reform. And it has the legal authority to do so.

Already, three major studies from the Postal Service, the Postal Regulatory Commission, and the GAO have concluded the change would save significant money.

There is bipartisan support for this effort including from President Obama – who has proposed 5-day mail in his annual budgets.

Many industrialized countries have also already made the shift to 5-day delivery including countries with significant rural populations such as: Australia, Canada, Finland, Spain, Italy and Sweden.

For once, we have an opportunity to allow common-sense and not special interests drive the conversation about reform.

It would be a mistake and a disservice to the American people to prevent USPS from moving forward with this cost-cutting reform.

Hiding from this problem is no longer an option. We must face the reality that dramatic reform is necessary. As the Postmaster General said last week: "Hope is not a strategy."

I cannot support efforts to simply raid the pension funds of postal workers to offset operating losses, or jeopardize the funding of earned health care benefits because the math isn't politically convenient.

Postal reform must rely on three principles:

1. Protecting universal access,

2. Keeping promises to employees, and
3. Protecting the taxpayer.

With these principles as a guide, we cannot ignore opportunities to improve the Postal Service's financial condition and protect taxpayers.

Accomplishing postal reform will not be easy, but it is something that must get done, and it is something we must work together to accomplish.

Today, I would like to publicly recommit to working with you Chairman Carper, Ranking Member Coburn, and members of this Committee, to reach a bipartisan agreement on this issue.

Thank you.