

AMERICA'S UNIONS

February 4, 2020

Dear Representative:

On behalf of the AFL-CIO, I urge you to support the USPS Fairness Act (H.R. 2382), a bipartisan bill that would repeal the 2006 mandate that the U.S. Postal Service (USPS) prefund future retiree health benefits.

No other private business or public entity is required to prefund retiree health care decades in advance. In the case of the USPS, the prefunding mandate has resulted in a manufactured financial crisis that is being used by its adversaries to cut postal services. The prefunding mandate costs the Postal Service over \$5 billion annually and accounts for nearly 90 percent of its operating shortfall.

Applying the same retiree health funding rules that apply to all other entities would not relieve the USPS of its obligations to fund its retiree health care obligations on a pay as you go basis, but it would reduce its liabilities and allow it to invest in modernization and quality improvements.

The U.S. Postal Service receives no taxpayer money and yet it remains one of the most popular government functions mandated by the U.S. Constitution. We urge you to vote in favor of the USPS Fairness Act (H.R. 2382) when it comes to the House floor THIS week.

Sincerely,

William Samuel Director, Government Affairs

## American Federation of Labor and Congress of Industrial Organizations

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