

## **PRESIDENT DONALD J. TRUMP'S TASK FORCE ON THE UNITED STATES POSTAL SYSTEM WILL CRAFT NEEDED REFORMS**

*"I was not elected to continue a failed system. I was elected to change it. All of us in government service were elected to solve the problems that have plagued our nation." – President Donald J. Trump*

### **TOWARD A RESPONSIBLE POSTAL SERVICE: President Trump's Task Force on the United States Postal System will build recommendations to reform the United States Postal Service and return it to a responsible business model.**

- The Task Force on the United States Postal System will target reforms towards reestablishing a sustainable business model for United States Postal Service (USPS) by:
  - Evaluating the operations and finances of USPS including:
    - The expansion and pricing of the package delivery and USPS's role in competitive markets.
    - The decline in mail volume and its implications for USPS's self-financing and monopoly over letter delivery and mailboxes.
    - The definition of the 'universal service obligation' in light of changes in technology, e-commerce, marketing practices, and customer needs.
    - USPS's role in the U.S. economy and in rural areas, communities, and small towns.
    - The state of USPS's business model, workforce, operations, costs, and pricing.
  - Providing administrative and legislative recommendations for reform.
  - Submitting a report to the President summarizing its findings and recommendations.

### **A WHOLE OF GOVERNMENT APPROACH: President Trump's Task Force on the United States Postal System will leverage stakeholder knowledge from a wide swath of federal, local, and state government.**

- The Task Force will be comprised of multiple agency heads including:
  - The Secretary of the Treasury as Chair;
  - The Director of the Office of Management and Budget;
  - The Director of the Office of Personnel Management; and
  - Any other agency head the Chair may designate.
- The Task Force will consult with the Postmaster General and the Chairman of the Postal Regulatory Commission.
- The Task Force will also engage:
  - The Attorney General, on issues relating to government monopolies operating in the commercial marketplace;
  - The Secretary of Labor, on issues related to workers compensation programs; as well as
  - State, local, tribal officials as determined by the Chair of the Task Force with input from the Task Force members.

### **UNSUSTAINABLE FINANCIAL PATH: The United States Postal Service is on an unsustainable financial path and must be reformed.**

- The USPS has incurred continual losses since the recession:
  - USPS has logged \$65 billion in cumulative losses since the 2007-2009 recession.
  - For FY 2017, USPS reported a net loss of \$2.7 billion.
  - From 2013 to 2016, USPS averaged a net loss of \$5.3 billion per year.

- Even holiday seasons are no longer profitable. USPS generated a net loss of \$540 million during the 2017 holiday season.
- USPS has been unable to meet financial commitments to its workforce and the federal government.
  - USPS has been unable to make payments required by law for its retiree health benefit obligations, which total more than \$38 billion at the end of fiscal year 2017.
  - The Government Accountability Office has included USPS on its high-risk list since 2009 due to financial instability that puts its mission of providing efficient and reliable mail services at risk.
- Declining mail volumes and high debt loads continue to exacerbate USPS's financial situation.
  - Total mail volumes, which account for approximately 70 percent of USPS revenues, have declined from 212.2 billion pieces of mail in 2007 to 149.5 billion in 2017, which represents a 29.5 percent decrease.
  - According the Government Accountability Office, as of 2016, USPS was facing \$121 billion in total debt and unfunded liabilities. That is equal to 169 percent of USPS's revenues.