

# Cooking on Capitol Hill

The sizzle in Washington sounds different this summer. Unlike the Bush years, when the priority was maintaining the status quo, tourists are hearing the clank and grind of major changes moving through Congress as President Obama pushes his broad agenda ahead. The NALC is actively engaged across the policy spectrum, especially efforts to help the Postal Service and protect the middle class. Here is an update on some key issues.

## Fiscal relief for USPS

H.R. 22, the bill designed to help ease some of the Postal Service's financial obligations, has taken two big steps toward passage into law in recent weeks.

On June 24, the House Oversight and Government Reform subcommittee on the Postal Service "marked up," or formally reviewed, the measure and approved it unanimously. The bill then went before the full committee, which delivered its own unanimous thumbs-up verdict on July 10, clearing the way for action by the full House.

The goal of the legislation is to relieve a staggering financial burden placed on the USPS by the 2006 postal reform law. It requires the Postal Service to pre-fund 80 percent of its future retiree health benefit costs by the year 2016. This costs the USPS at least \$5.5 billion a year—on top of the \$2 billion to \$3 billion it pays annually for current retiree health benefits. No other company in America is required to pre-fund these costs at such a rate—indeed, many companies do not set aside any funds to cover projected retiree health costs. With the economy in deep recession, the cost of pre-funding simply is no longer affordable.

While H.R. 22 maintains the pre-funding requirement, it would allow USPS to tap the \$32 billion already in the Postal Service Retiree Health Benefits Fund to pay its share of contributions for current annuitants' benefits, effectively saving the USPS about \$2.5 billion a year.

As originally drafted, H.R. 22 allowed the current annuitant health costs to be paid from the fund for eight years, but that was reduced to three years to accommodate technical budget concerns (see "Legislation and Politics" at [nalc.org](http://nalc.org) for a fuller explanation).

"With the economy in the tank and mail volumes still in free-fall, the Postal Service stands to lose as much as \$6 billion this year," said NALC President Fred Rolando. "This version of H.R. 22 might not be ideal, but it's a compromise we can support."

No floor vote by the full House had been scheduled at press time.

## Employee Free Choice Act

With business lobbyists jacking up the pressure on moderate Democrats to thwart the Employee Free Choice Act, a half-dozen labor-friendly senators moved in mid-July to strike the majority sign-up provision from the bill designed to make it easier for workers to form workplace unions. The lawmakers argued the change would make EFCA more acceptable to wavering Democrats and perhaps one or two Republicans.

Considered by many the centerpiece of EFCA, the "card check" component was written to require employers to recognize a workplace union if a simple majority of workers signed cards signifying their support for forming one. Anti-union forces, backed with tens of millions of dollars, attacked the provision by claiming—falsely—that card check is undemocratic and would eliminate secret ballot elections. In fact, majority sign-up was included simply to offer workers an additional strategy for forming a union, while a 30 percent minority of workers could still demand a secret ballot vote.

To soften the blow of eliminating the card check provision, the senators proposed language to shorten union election



AFL-CIO Secretary-Treasurer Richard Trumka (above) leads a pro-EFCA rally at the Arkansas office of Sen. Blanche Lincoln, with many NALC members in attendance (r).



campaigns, allow union organizers access to company property, and prohibit employers from forcing workers to attend anti-union meetings. The proposal also retains a provision requiring binding arbitration if the parties cannot reach a contract after a union is recognized as the workers' collective bargaining agent.

Reaction to the maneuvering was mixed, but some labor officials signaled they were willing to accept the change in order to get the measure approved.

EFCA has overwhelming support in the House, but has had trouble in the Senate securing the 60 votes needed to block a Republican filibuster. Supporters of the measure got a boost when Democrat Al Franken was sworn in July 7 as Minnesota's junior senator, after that state's supreme court ended the long battle over his razor-thin victory. Franken's first official act was signing on as an EFCA co-sponsor.

The NALC continues to work actively with the AFL-CIO to get EFCA passed in some form to help restore the union movement and revitalize the middle class. Early last month, President Rolando sent an e-Activist Network message to letter carriers in Arkansas, encouraging them to attend a pro-EFCA rally and catfish fry sponsored by the AFL-CIO at the Little Rock office of Sen. Blanche Lincoln. Arkansas is the corporate home of Wal-Mart, the world's largest retailer and a deep-pocketed foe of workplace organizing. It comes as no surprise that Lincoln, who had pledged to support EFCA but is up for re-election in 2010, has waffled on the issue since spring.

EFCA has 227 co-sponsors in the House and 41 in the Senate, counting Franken. Neither chamber's version had moved out of committee by the time this issue went to press.

### Health care reform

House leaders on July 14 introduced the much-anticipated America's Affordable Health Choices Act, a progressive reform bill that seeks to extend health care coverage to all Americans—the



more than 45 million who do not have health insurance, as well as the millions more who are considered underinsured. The bill includes the provision for a "public plan" option supported by President Barack Obama, and it does not tax employer-provided health care benefits as some had feared it might.

"The House proposal meets President Obama's goals by controlling runaway health care costs, offering the American people real choices and expanding access to quality health care," said AFL-CIO President John Sweeney. "This legislation offers the real promise of improving quality, increasing access and reducing costs, all at the same time."

There were some concerns over a Congressional Budget Office report released shortly after the House bill was unveiled that suggested the plan could cost more than \$1 trillion over the next 10 years. Republicans immediately seized on cost as an argument against reform. However, House Democrats say their plan would be fully paid for through increased efficiencies and savings in Medicare and Medicaid, as well as a tax increase on the wealthiest 1.2 percent of Americans.

Hopes ran high that the legislation would go before the full House prior to the August recess; however, no vote had been scheduled by the time this issue went to press. Meanwhile, the Senate continues to work on its own reform package. President Obama has repeatedly stated that he wants comprehensive health care reform signed into law by the end of the year. But Republicans have vowed to block any changes as part of a concerted campaign to tarnish Obama's image and derail his other progressive initiatives. ☒

NALC officers and headquarters staff members in Carrier Corps T-shirts joined the AFL-CIO's June 25 Capitol Hill rally in support of health care reform. Pictured are (from l) Vice President George Mignosi; Sue Wellhausen, a member of the Contract Administration Unit; Political Director Tucker McDonald; Director of Compensation Greg Dixon; and Mike Edmonds, a member of the Information Technology Department.