UNITED STATES POSTAL SERVICE and NATIONAL ASSOCIATION OF LETTER CARRIERS, AFL-CIO	)))))))	2023 NATIONAL AGREEMENT

AWARD OF DENNIS R. NOLAN, INTEREST ARBITRATOR

INTRODUCTION

Pursuant to Section 1207 of Title 39 of the U.S. Code, the Postal Reorganization Act, P.L. 91-373, 39 U.S.C. Section 101 et seq. ("PRA"), the United States Postal Service ("USPS" or "Postal Service") and the National Association of Letter Carriers, AFL-CIO ("NALC" or "Union") enjoy substantial rights to bargain collectively over the wages, hours, and working conditions of the employees represented by the Union. When the parties cannot achieve a new contract through voluntary agreement, the PRA provides for a process of dispute resolution that may culminate in final and binding arbitration. The Act further authorizes the parties to establish the specific, or even alternative, processes for resolving the collective bargaining disputes.

Pursuant to such statutory authority, the NALC and USPS entered into an agreement ("Agreement" or "MOU") on February 26, 2025 (Attachment 1) that appointed me as the neutral and sole Arbitrator and authorized me to issue a final and binding award to resolve all outstanding issues. The agreement provided that I would conduct a mediation before convening a formal arbitration hearing. The agreement authorized me to issue a final and binding award based on the parties' presentations, agreements, and stipulations during mediation. This Award constitutes the final and binding award establishing the terms of the 2023 National Agreement.

BACKGROUND

The USPS is an independent establishment of the Executive Branch of the Government of the United States, authorized to provide universal mail services to the American public. 39 U.S.C. sections 101 and 201. The Postal Service was created by the PRA in 1971 and is the successor to the former Post Office Department.

The NALC is a national labor organization representing over 200,000 employees of the USPS in the City Letter Carrier Craft.

The 2019-2023 National Agreement expired on May 20, 2023. Prior to that time, the parties engaged in extensive and good faith negotiations to achieve a successor agreement. The parties were not successful in reaching a tentative agreement by the expiration date of the contract. However, the parties continued to meet and negotiate in their attempt to conclude a voluntary agreement. After many months of good faith negotiations, the parties reached a tentative agreement (TA) on October 18, 2024. However, in the ratification vote held on the TA, the majority of NALC members who cast a ballot voted against the TA. After the rejection of the TA, the NALC and the USPS resumed negotiations, but no second tentative agreement was reached.

The USPS and the NALC have a long and productive bargaining relationship in which most collective bargaining contracts have been achieved through good faith negotiations and voluntary agreements. Nevertheless, there have been some occasions when interest arbitration has been necessary to resolve the terms of a successor agreement. Interest arbitration by its nature is a protracted, litigation-oriented proceeding that significantly lengthens the dispute resolution process. Especially given the timing of this dispute in the collective bargaining cycle, the desire of the parties to establish a dispute resolution process that would resolve the terms of the successor agreement in less time than a traditional interest arbitration is most understandable. The MOU established a process that permits a quicker resolution, while still providing the parties with a full and fair opportunity to make their cases, argue their positions, present information on their issues, and otherwise ensure that the mediator/arbitrator is fully aware of the matters that are important to each of the parties.

Moreover, I am very familiar with many of the economic issues underlying the present dispute. In 2020, I served as Chairman of the Interest Arbitration Board that was convened to resolve the impasse following the expiration of the 2016-2019 National Agreement. During that proceeding we had nine intensive days of hearings over the course of a month. The Board received oral and written testimony from expert witnesses, management officials, national and local union officers, and rank-and-file letter carriers. Both parties also submitted data on the economics, finances, and operations of the Postal Service, as well as data comparing letter carriers' compensation to that of private sector workers. The parties agreed that I could consider all this previously submitted evidence as well as updated and current evidence in formulating the present Award.

The Mediation sessions took place in Washington, DC on March 17-18, 2025. Both parties were represented by counsel and fully presented their positions. Each party insisted firmly on its own position but both worked professionally and cooperatively to reach a fair outcome.

POSITIONS OF THE PARTIES

Without attempting to be exhaustive, the following summarizes some of the parties' major arguments.

The Postal Service argued the following points:

- Wage and benefit comparability remains the statutory standard. The statute requires that the Postal Service achieve and maintain wages and benefits "on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy." 39 U.S.C. section 1003(a); see also 39 U.S.C. section 101(c).
- City letter carriers enjoy a generous wage and benefits package – including highly-competitive wages, a semi-annual Cost of Living Adjustment (COLA) that is unheard-of in the private sector, and retirement and retiree health programs that are the envy of private sector workers. This package exceeds private sector comparability. Labor economic experts firmly support this conclusion from analyses of robust databases that enable a comparison between the pay of city carriers to the pay of private sector workers with characteristics comparable to city letter carriers, as well as databases that compare the city carrier job to jobs in the private sector that are rated to be at a comparable level of work. Experts in benefits and job matching further support the conclusion that there is still work to do to adjust city carrier compensation to align more closely with private sector comparability.

- Past interest arbitrators have held that postal employees, including city letter carriers, have wage premiums, and have issued awards intending to reduce wage growth as compared to the private sector – a practice referred to as "moderate restraint" and initially established by Arbitrator Clark Kerr in the 1984 Interest Arbitration with the Joint Bargaining Committee (consisting of the NALC and one other union). Interest arbitration awards, whether issued after a failed TA or not, must continue to be intentional about reducing the postal-private sector compensation gap.
- The existence of the TA should not be ignored. While the arbitrator is not bound by the TA, it reflects what both parties after good faith negotiations considered to be an acceptable agreement. Indeed, there have been two occasions in postal history when interest arbitrators have resolved new contracts after a failed ratification vote. The first was the Healy Award in 1978 (between USPS and the Joint Bargaining Committee consisting of the NALC and two other postal unions). The second was the Award by Herbert Fishgold in 2007 (between USPS and the National Rural Letter Carriers' Association). These two awards neither imposed the failed TA without change, nor did they take the TA as a floor and add terms more favorable to the union. Rather, they issued awards that made adjustments on both sides of the ledger, with end results that could be summed up as "different, but not more."

- The level of increases and projected increases in the Employment Cost Index (ECI), as well the Consumer Price Index (CPI) which impacts the Cost of Living Adjustment (COLA), supports a “moderate restraint” pay package that is less than that found in the TA.
- The recent agreement between United Parcel Service (UPS) and the Teamsters affecting Package Delivery Drivers has little or no relevance to this proceeding. A singular focus on UPS is inconsistent with the statutory comparability mandate which requires a comparison to “comparable levels of work” throughout the private sector as a whole. There is obvious bias in any fixation with one, cherry-picked employer. Moreover, the NALC has tried for over forty years to get an interest arbitrator to agree to a UPS standard, but the Union has failed each and every time. Finally, there are significant differences in job duties, work rules, and company pay policies that further militate against any direct comparison of UPS positions to those in the Postal Service.
- City Carrier Assistants (CCAs) are an effective and successful part of the City Carrier workforce. They serve as entry-level workers who provide workforce flexibility and labor cost restraint. Data analysis reveals that workers hired as CCAs receive a substantial increase in pay in comparison to their previous employment. Any diminution in the number or hours of CCAs necessarily puts added pressure on the compensation and work rules that benefit the career carrier.

- The Postal Service continues to face strong business challenges. Due to the nature of its mission, the Postal Service is heavily labor intensive. Personnel costs occupy the vast majority of postal expenses. The Postal Service must compete in the highly-competitive package delivery business, but it is running annual financial deficits. It cannot absorb above-market compensation rates and be successful.
- The generosity of the TA as a compromise agreement should not be underappreciated. Included among its provisions were wage increases consistent with historical patterns, an additional adjustment for the most senior employees, and retention of the Cost of Living Adjustment (COLA) that protects wages against inflation in ways not found in the private sector. While the reasons for the disapproval of the TA cannot be stated with certainly, even if employees feel that they should receive higher pay, such subjective feelings simply are not evidence that their wages should be increased. Based on the relevant evidence, there is no credible basis, either as a matter of comparability or of pattern, for a net increase in the economic terms of the TA. Indeed, the evidence supports lowering the TA's overall economic impact.

The NALC argued the following points:

- The NALC's active membership overwhelmingly rejected the Tentative Agreement (TA) reached in late 2024 – 71 percent to 29 percent. In a post-vote poll of active members by Hart Research, 85% of "No" voters indicated that higher general wage increases than the 1.3% annual increases in the TA were needed. Improved uniform allowances were also supported by a supermajority of such voters. The members' concerns must be addressed in the Arbitrator's Award.

- The comparability standard of the PRA requires that postal employees be paid no less than private-sector employees performing similar work. The best private-sector comparator is the United Parcel Service ("UPS") package car driver, employed by the only other nation-wide, unionized parcel business, and who, like the USPS city letter carrier, delivers packages on a fixed route. UPS drivers earn more than city letter carriers from their first day on the job, hit the top of their pay scale years earlier than city letter carriers do, and earn a much higher wage at the top of the pay scale.

- Letter carriers are below the comparability standard even when one compares them to the entire private-sector workforce. Since 2009, average private-sector wages have risen about three times faster than city letter carrier wages. After decades earning more than the average American worker, city letter carriers now earn less – and markedly less than comparable private sector workers (i.e., full-time, unionized, or large employer staff).

- Even as city letter carriers have become more productive, as measured by deliveries per route and by the USPS's measure of labor productivity, their real wages have steadily declined, to the point that the purchasing power of the straight-time wages of the average carrier is now 20% below where it was in 1972. In particular, the inflation surge of 2021-2022, when the Consumer Price Index topped 9%, sharply reduced the purchasing power of city letter carrier wages. CCAs, who have the lowest wages and no COLA-protection, were hit particularly hard.

- NALC acknowledges USPS's financial difficulties. But the PRA's comparability standard, as well as economic reality, require that USPS pay no less than market-rate wages. An arbitrator's award in this dispute cannot remedy the financial difficulties of USPS, but such an award must improve wages to meet the comparability standard in the PRA.

- To achieve the "service excellence" outlined in *Delivering for America*, USPS's ten-year business plan, USPS has to invest not only in its network and processing systems, but also in its delivery workforce, by paying competitive wages that will allow it to attract and retain capable and committed employees.

- USPS is, by volume, the largest shipping service in the country (6.6 billion packages) and now earns more from delivering parcels ($32 billion) than from First Class letter mail ($25 billion), so succeeding in the highly competitive package industry is critical to USPS's economic future. To prosper and increase its market share in the expanding package business, USPS must pay its workforce the wages needed to attract and retain capable and committed employees.

- Most newly hired letter carriers start out as CCAs. Based on data collected by Lightcast Analytics in 2023, current CCA pay lagged far behind than that offered newly hired FedEx (-5.7%) and Amazon (-13.9%) delivery workers.

- The existing entry-level wage paid to CCAs is so low that, from 2021-2023, USPS received *no* applicants for nearly a quarter of the open CCA positions it posted. Even when it manages to hire CCAs, they quit at alarming rates, with annual turnover rates averaging between 45% and 60% in recent years -- and reaching up to 100 percent in higher-cost areas.

- USPS's struggle to hire has led to staffing shortages in many locations, staffing shortages that have left routes unattended, customers upset, and carriers overworked and demoralized. The non-career CCA category should be eliminated in favor of an all-career workforce.

- Regardless of classification, starting pay for letter carriers must be substantially increased. Eliminating the lowest-paid steps of Table 2 of the career carrier pay scale to increase starting pay to the Table 1 starting rate and reducing the time to reach top step pay will also help alleviate staffing shortages, while at the same time providing more junior career carriers with much needed economic relief.

- It is also critically important to raise pay at the top step of the city letter carrier pay scale. Approximately 35% of the career carrier workforce is at that Step P now, and eventually all carriers who stay on the job will reach that step. Raising top scale pay thus provides the best economic value in the long-term to the letter carrier craft. In addition, raising top scale pay will boost retirement benefits.

- Since USPS requires that city letter carriers wear uniforms on the job, it should furnish them with uniforms. Unfortunately, the existing system of uniform allowances – under which USPS provides stipends to carriers to purchase their shoes, coats and uniforms for all weather conditions – is irretrievably broken. Current allowances don't come close to covering the actual cost of adequate uniforms. As long as this outdated system remains in place, USPS should provide city carriers a uniform allowance that reflects the rapidly rising prices charged by uniform vendors – which rose by nearly 50% between 2019 and 2023. NALC believes that reality merits a significant increase in the allowances.

AWARD

By federal law, the parties' interest arbitrator must issue an award determining the wages, benefits, and work rules for employees in the City Letter Carrier craft after giving the parties a full and fair "opportunity to present their case in person, by counsel, or by other representatives they may elect." 39 U.S.C. section 1207. In addition, the Arbitrator must take into account the following statutory provisions.

Thirty-nine U.S.C. section 101(c) provides:

> As an employer, the Postal Service shall achieve and maintain compensation for its officers and employees comparable to the rates and types of compensation paid in the private sector of the economy of the United States.

It shall place particular emphasis upon opportunities for career advancements of all officers and employees and the achievement of worthwhile and satisfying careers in the service of the United States.

Thirty-nine U.S.C. section 1003(a) provides in part:

> It shall be the policy of the Postal Service to maintain compensation and benefits for all officers and employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy . . . .

This Award complies with these statutory provisions. Moreover, this Award presents a fair and reasonable outcome for both parties given the uncertainties the Postal Service and its employees face, the parties' presentations, and the contractual history of the parties.

The contract will operate for three years (May 21, 2023 to May 22, 2026). While this duration does mean that the parties will soon be back at the bargaining table, I do not regard that as a negative. The parties have a history of successful bargaining, and they should be given the opportunity to establish the terms of their contract in those subsequent years.

Some of the major terms of the Award include:

- Three general increases of 1.3%, 1.4% and 1.5% for career employees.
- Continuation of the COLA provisions consistent with the current formula.
- An additional $1,000 to be added to the top step (step P). This will be implemented, and effective upon implementation, within 180 days of the date of this Award.
- Elimination of the bottom two steps to raise the starting wage for career employees. This will be implemented, and effective upon implementation, within 180 days of the date of this Award.

- City carrier assistant (CCA) employees receive the same general increases described above for career employees (1.3%, 1.4%, 1.5%), plus an additional 1.0% each year.
- Additional $0.50 per hour increase for CCAs. This will be implemented, and effective upon implementation, within 180 days of the date of this Award.
- The uniform allowance will be increased as set forth in detail below.

The specific terms of the Award are identified below.

I. WAGES AND BENEFITS

ARTICLE 9

SALARIES AND WAGES

Section 1. Salary and Wage Schedules

Employees with career appointments before January 12, 2013 shall be paid and earn step increases according to the rates and waiting periods outlined in Table One.

Employees appointed to career positions on or after January 12, 2013 shall be paid and earn step increases according to the rates and waiting periods outlined in Table Two.

Section 2. Basic Annual Salary

Effective November **18, 2023**—the basic annual salary for each grade and step of Table One and Table Two shall be increased by an amount equal to **1.3%** of the basic annual salary for the grade and step in effect on the date of this Agreement.

Effective November **16, 2024**—the basic annual salary for each grade and step of Table One and Table Two shall be increased by an amount equal to **1.4%** of the basic annual salary for the grade and step in effect on the date of this Agreement.

Effective November **15, 2025**—the basic annual salary for each grade and step of Table One and Table Two shall be increased by an amount equal to **1.5%** of the basic annual salary for each grade and step in effect on the date of this Agreement.

[see Memo, page]

Section 3. Cost of Living Adjustment

A. Definitions

1. "Consumer Price Index" refers to the "National Consumer Price Index for Urban Wage Earners and Clerical Workers," published by the Bureau of Labor Statistics, United States Department of Labor (1967=100) and referred to herein as the "Index."

2. "Consumer Price Index Base" refers to the Consumer Price Index for the month of **January 2023** and is referred to herein as the "Base Index."

B. Effective Dates of Adjustment

Each eligible employee covered by this Agreement shall receive cost-of-living adjustments, upward, in accordance with the formula in Section 3.C, below, effective on the following dates:

- the second full pay period after the release of the **July 2023** Index

- the second full pay period after the release of the **January 2024** Index

- the second full pay period after the release of the **July 2024** Index

- the second full pay period after the release of the **January 2025** Index

- the second full pay period after the release of the **July 2025** Index

- the second full pay period after the release of the **January 2026** Index

C. The basic salary schedules provided for in Table One and Step **P** of Table Two of this Agreement shall be increased one cent per hour for each full 0.4 of a point increase in the applicable Index above the Base Index.

D. Steps A through **O** in the basic salary schedules provided for in Table Two of this Agreement shall receive COLAs calculated using the formula in paragraph C adjusted proportionally to each step's percentage of Step **P**. Step AA of the Hourly Basic Rates for Part-Time Flexible Employees provided for in Table Two of this Agreement shall receive COLA calculated using the same formula in paragraph C adjusted proportionally to its percentage of Step **P**.

E. **[Deleted]**

F. In the event the appropriate Index is not published on or before the beginning of the effective payroll period, any adjustment required will be made effective at the beginning of the second payroll period after publication of the appropriate Index.

G. No adjustment, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures for the Index for any month mentioned in 3.B, above.

H. If during the life of this Agreement, the BLS ceases to make available the CPI-W (1967=100), the parties agree to use the CPI-W (1982-84=100) at such time as BLS ceases to make available the CPI-W (1967=100). At the time of change to the CPI-W (1982-84=100), the cost-of-living formula in Section 3.C will be recalculated to provide the same cost-of-living adjustment that would have been granted under the formula using the CPI-W (1967=100).

Section 4. Application of Salary Rates

The Employer shall continue the current application of salary rates for the duration of this Agreement.

Section 5. Granting Step Increases

The Employer will continue the program on granting step increases for the duration of this Agreement.

[see Memo page_____]

Section 6. Protected Salary Rates

The Employer shall continue the current salary rate protection program for the duration of this Agreement.

Section 7. City Carrier Assistants (CCAs)

The CCA hourly rates in Table Three shall be adjusted by the general increases provided for in Article 9.2. In addition, CCAs will receive the following wage adjustments:

> Effective November **18, 2023**, the CCA hourly rates in Table Three shall be increased by 1.0%.
>
> Effective November **16, 2024**, the CCA hourly rates in Table Three shall be increased by 1.0%.
>
> Effective November **15, 2025**, the CCA hourly rates in Table Three shall be increased by 1.0%.

CCA hourly rates in Table Three shall be increased by $0.50 per hour. This wage adjustment shall be implemented, and effective upon implementation, within 180 days of the date of the Interest Arbitration Award.

Section 8. Modification of City Carrier Pay Tables

NALC RSC Q (Table One) and NALC RSC Q7 (Table Two) will be modified in accordance with the Memorandum of Understanding Re: City Carrier Pay Table Step Modifications. These modifications shall be implemented, and effective upon implementation, within 180 days of the date of the Interest Arbitration Award.

Section 9. Step P Wage Increase

The Step P rate in Tables 1 and 2 shall receive a one-time pay increase to an amount that is equal to a flat dollar amount of $1,000. This change shall be implemented, and effective upon implementation, within 180 days of the date of the Interest Arbitration Award.

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS, AFL-CIO**

Re: City Carrier Pay Table Step Modifications

Pursuant to the 2023-2026 National Agreement, the city carrier pay tables will be modified as follows:

- Steps AA and A will be eliminated from Table 2 as soon as administratively practicable, but no later than 180 days following date of Award, and will be effective upon implementation.

- Following the effective date of the elimination of Steps AA and A, all city carriers in Steps AA and A will be advanced to Step B and begin a new 46-week waiting period to be completed before advancing to the next step.

- All city carriers at Step P in Table 1 will be administratively slotted, as soon as practicable, into Step P in Table 2.

- Once they reach Step P, city carriers remaining in Table 1 will be administratively slotted, as soon as practicable, into Step P in Table 2.

II. UNIFORMS

ARTICLE 26

UNIFORMS AND WORK CLOTHES

Section 1. Uniform Control Committee

The parties agree that the National Joint Labor-Management Uniform Control Committee shall be continued.

The Committee shall be composed of a representative of the Union and a representative of the Employer. The Chair of the Committee shall alternate each meeting between the Union and the Postal Service.

The Committee shall meet at least once each three months and at such other times as may be necessary or as requested by either of the parties.

The Committee shall have jurisdiction to consider the matters set out below and all non-cost matters pertaining to the Uniform Allowance Program, including but not limited to, the uniform items or work clothes items for which allowances are applicable; the design, color, quality and fabrics of authorized reimbursable items.

All employees who are required to wear uniforms or work clothes shall be furnished uniforms or work clothes or shall be reimbursed for purchases of authorized items from duly licensed vendors.

The current administration of the Uniform and Work Clothes Program shall be continued unless otherwise changed by this Agreement or by the Employer based on recommendations of the Committee.

“Wear-out” periods for uniform items being changed or replaced shall be determined by the Committee and appropriate recommendations made after giving full consideration to the type of changes being made, the economic effect upon the employees involved for replacement, and the overall appearance of the uniform.

The Committee shall establish its own rules of procedure. Recommendations of the Committee shall be addressed to the Postmaster General or designee.

Section 2. Annual Allowance

The annual allowance for eligible employees in the reimbursable uniform program shall be as follows:

A. Effective **May 21, 2025** the annual allowance for all eligible employees shall be increased from **$499** per annum to **$536** per annum. The increase shall become effective on the employee’s anniversary date.

Effective **May 21, 2026** the annual allowance for all eligible employees shall be increased from **$536** per annum to **$549** per annum. The increase shall become effective on the employee’s anniversary date.

B. A newly eligible employee entering the reimbursable uniform program will receive an additional credit to the employee’s allowance as follows:

Effective **May 21, 2025** - **$125** if entitled to **$536** per annum.

Effective **May 21, 2026** - **$128** if entitled to **$549** per annum.

An eligible employee cannot receive this additional credit more than once; however, the current procedures regarding employees transferring from one allowance category to another shall be continued.

Unused portions of an eligible employee's annual allowance for uniform and work clothing will be carried over and available for use beginning twelve (12) months after the end of each anniversary year. An eligible employee's uniform or work clothing allowance balance may not exceed the sum of two (2) years of the employee's annual allowance entitlement. This uniform and work clothing program adjustment will be implemented no later than twelve (12) months from the date of the Interest Arbitration Award.

Section 3. City Carrier Assistant (CCA)

When the CCA has completed ninety (90) work days, or has been employed for 120 calendar days, whichever comes first, the CCA will be provided with an annual uniform allowance equal to the amount provided to career employees in Section 2.A. Time served as a Transitional Employee will count toward the 90/120 day requirement.

The uniform purchases are reimbursed by the Postal Service directly to the vendor. Uniforms will be returned by CCAs separated and not reappointed.

[see Memo, page]

MEMORANDUM OF UNDERSTANDING
BETWEEN THE UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS, AFL-CIO

Re: Uniform Program

The parties recognize that the current Uniform Program may not reflect the most cost-effective way to provide quality uniforms to city letter carriers. The parties have insufficient control over important aspects of the Uniform Program and city letter carriers are faced with rapidly escalating uniform costs. This is in part a market problem with no readily apparent solution within the context of the current program.

Recognizing the complexity of the issues and need for structural change in the Uniform Program, a joint task force shall be established to study the matter with expert and technical assistance with a view toward reaching an agreement for a new and/or revised program that would take into account the following guidelines: 1) be cost-effective for both management and city letter carriers; 2) provide the parties with more direct control of the Uniform Program; 3) limit management and city letter carriers' exposure to future increases in uniform costs; and 4) create practices for the manufacture and purchase of uniform items that will reduce the rate of increase.

III. OTHER PROVISIONS

Except as otherwise indicated herein, all contractual modifications in the TA shall be included in the new contract. The terms take effect on the date of the issuance of this Award, unless otherwise indicated. Pay adjustments that take effect prior to the date of this Award shall be paid retroactively, consistent with the parties' established practice. The parties will separately determine the implementation plan for the changes in Article 8.

CONCLUSION

The foregoing Award constitutes the final and binding resolution of the parties' dispute over the terms of their collective bargaining agreement.

Dated: March 21, 2025

Dennis R. Nolan

DENNIS R. NOLAN, ARBITRATOR

MEMORANDUM OF AGREEMENT
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS, AFL-CIO

In accordance with the Postal Reorganization Act, 39 U.S.C. Section 1207, the United States Postal Service (USPS) and the National Association of Letter Carriers, AFL-CIO (NALC) agree to use the process set forth below to resolve their dispute over the terms of their collective bargaining agreement:

1. Dennis R. Nolan (Arbitrator) is hereby appointed to serve as the neutral and sole Arbitrator and will be authorized to issue a final and binding award to resolve all outstanding bargaining issues.
2. The parties and the Arbitrator will schedule the interest arbitration to take place as early as possible and include date(s) where the Arbitrator's availability is less than a full day.
3. Prior to convening a formal hearing, Arbitrator Nolan will conduct mediation with the parties on the outstanding bargaining issues.
4. The parties shall cooperate with Arbitrator Nolan during the mediation process and shall meet and negotiate in good faith as he directs, including but not limited to presentation of their respective positions to him.
5. The Arbitrator will issue a final and binding award based on the parties' presentations during mediation or the interest arbitration proceeding.

Dated: 2/26/2025

Doug A. Tulino
Deputy Postmaster General & Chief Human Resources Officer
United States Postal Service

Brian L. Renfroe
President
National Association of Letter Carriers, AFL-CIO