



National Association of Letter Carriers

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July 15, 2020

Statement from President Fredric V. Rolando

Re: COVID-19 Virus Crisis

On July 2nd, Senators Susan Collins (R-ME) and Dianne Feinstein (D-CA) introduced the "Postal Service Emergency Assistance Act" (S. 4174). The bill would provide \$25 billion in direct relief to the agency through establishment of a "Postal Service COVID-19 Emergency Fund" to make up the difference between revenue and expenses during the pandemic, making the fund available through September 30, 2022. Notably, the bill makes clear that the \$10 billion Treasury loan approved in the CARES Act, would be subject to the terms and conditions agreed to in the note purchase agreement between the Postal Service and Federal Financing Bank from September 29, 2018. The inclusion of these terms would be far more favorable than the rumored terms and conditions that the Department of Treasury is insisting on but refusing to make public in order for the Postal Service to access the funds.

These two provisions of the Senate bill are consistent with NALC's immediate priorities related to COVID-19 funding and are similar to provisions contained in the HEROES Act, which passed the House in May. The HEROES Act includes \$25 billion in direct funding to the Postal Service, and would also repeal restrictions on the \$10 billion line of credit that was authorized by the CARES Act. But unlike the Senate bill, the House HEROES Act also contains a hazard pay provision that would include letter carriers.

There is rising support from Senate Republicans to pass another stimulus, but it remains to be seen exactly how it will go. NALC is hopeful that the bipartisan and bicameral calls for immediate financial relief will be part of the conversation between House and Senate leadership and the White House when negotiations over the next relief package resume later this month.

NALC continues to lobby aggressively for direct financial relief, favorable loan terms, and hazard pay as outlined above. Letter carriers should continue contacting their senators to urge support for such funding in the next stimulus package. For more information on how to take action, please visit the "Government Affairs" page on the NALC website. And please continue to encourage your family, friends, and neighbors to do the same by visiting www.HeroesDelivering.com.

In other legislative news, the House recently passed the "Moving America Forward Act" (H.R. 2), a \$1.5 trillion infrastructure bill that invests in roads, rail, public transit, ports, aviation, energy and water. Of particular note, the final bill included \$25 billion for postal infrastructure modernization, including \$6 billion to upgrade postal vehicles. The bill requires that 75 percent of the new fleet be electric or zero-emission vehicles. For medium/heavyweight vehicles, the electric/zero emissions requirement would be 50 percent by 2030 and 100 percent by 2040. The bill would require the "Buy America Act" provisions with regards to vehicle procurement. The bill also would equip each postal facility with electric charging stations, at least one of which would be made available to the public, officers and employees of the Postal Service. The bill is not likely to be considered by the Senate, which has already begun work on its infrastructure package.

As indicated in my last statement, on June 15th Louis DeJoy replaced Megan Brennan and became the 75th postmaster general. While I have had a couple of brief conversations with him, I look forward to several hours of discussion on various topics after he has had a chance to settle in. I've made it clear that we remain committed to working in good faith to build a relationship based on mutual trust and a shared vision for the future of the Postal Service - as long as that shared vision embraces a strategy to grow as a public institution that values its employees and works with its unions to promote high-quality service, safety, efficiency and a workplace culture of mutual respect.

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In my last statement I mentioned the nomination of Donald Lee Moak and Bill Zollars to serve on the Postal Service's Board of Governors. Both have since been confirmed by the Senate, and sworn in as Governors. We anticipate that the Board of Governors will soon appoint a new Deputy Postmaster General to replace Ron Stroman, who resigned on June 1st.

This transition represents a massive change in leadership at the Postal Service consisting of a new PMG, a yet to be appointed Deputy PMG, four relatively new Governors, and two new Governors who have yet to attend their first meeting of the Board of Governors. Initially, at a minimum we expect there will be thorough reviews of Postal finances, operations, human resources, and marketing, as well as legislative, regulatory, and legal matters.

On the operational front, it is my understanding that supervisors are conducting stand-up talks to all employees on initial transportation phases of an operational pivot plan based on some internal documents regarding cost reduction. None of these changes or plans have been discussed or explained to NALC, and we will closely monitor the provisions of their plan for contractual compliance.

Absent reaching a tentative settlement on our collective bargaining agreement, we are prepared to begin Interest Arbitration in late September. We continue to engage the Postal Service in negotiations, as we would much rather send our members a tentative agreement for ratification. However, we are more than ready for the Interest Arbitration hearings.

Several COVID related Joint Memorandums of Understanding have been further extended through September 25, 2020. These memoranda include: temporary use of the 7:01 rule; temporary additional paid leave for CCAs; temporary expanded sick leave for dependent care; temporary use of TCAs; temporary workplace changes to promote social distancing; temporary time limit extensions on Step B and arbitration appeals; and an agreement giving local parties the ability to develop a sign-up process for full-time employees who previously did not, or could not, place their names on either the overtime desired list or work assignment list. Also extended through September 25th is a USPS memorandum which instructs managers and supervisors to allow liberal changes of schedule to accommodate employees who are dealing with childcare issues related to the pandemic. The USPS memorandum also provides for liberal sick leave usage for employees who are sick and liberal annual and leave without pay (LWOP) to the extent operationally feasible, treats COVID-19 related leave as scheduled (as opposed to unscheduled) leave, and directs that leave taken for COVID-19 related reasons during this time not be cited in discipline for failing to maintain an assigned schedule.

Each of the MOUs and the USPS directive can be found in NALC's Materials Reference System on the NALC website.

On June 3rd, we settled a national-level grievance regarding the Postal Service's unilateral testing of Consolidated Casing. This settlement, M-01923 in NALC's Materials Reference System, requires that half of the 62 test sites be returned to their original route structure by July 31, 2020. The remaining 31 test sites will continue through November 27, 2020.

The Postal Service has selected the first 31 test sites for the routes to be returned to their original structure, and the local parties have already been informed. According to the settlement, the local parties are supposed to work jointly through the transition of returning routes in the test sites to their original structure, with assistance and guidance being provided by the appropriate NALC National Business Agent (NBA) and USPS Area Manager, Labor Relations (AMLR), or their designees.

Unfortunately, from what we have seen and heard so far, the Postal Service is mandating local management to perform this transition unilaterally with a one-sided set of arbitrary rules in contradiction to the settlement. I have appointed representatives from NALC headquarters to work with the regions and local parties to determine and communicate transition plans to USPS that are consistent with the terms of the settlement. We stand committed to working with USPS, as the settlement directs, to return these offices and the routes to their original structure. Hopefully implementation of the settlement does not result in additional disputes over the clear language of the settlement. If it does, NALC will take appropriate action.

Another piece to eventually putting the Consolidated Casing dispute behind us is dealing with the thousands of grievances filed in the 62 test sites. The settlement states that grievances related to the Consolidated Casing that were pending at any step of the Dispute Resolution Process as of the date of the settlement or future grievances not resolved at Formal Step A will be sent directly to the appropriate NBAs and AMLRs, or their designees. They will jointly determine which grievances are resolved by the settlement, can be resolved by the parties, and which will be further processed.

In my May 13, 2020, statement I reported that the Postal Service was in the process of testing the use of various types of materials and styles to be used as face coverings during the hotter months. Such styles tested were various bandanna type masks, neck gaiters, and even cooling masks. As a result of the carriers' input who participated in the tests, the Postal Service ordered three types of masks for purchase by local managers for letter carriers to use.

The three types of masks are all washable and re-usable and include a black cross strap style, a blue neck gaiter style, and a grey adjustable ear loop style. The Postal Service has advised that the masks are available in every district, and that local managers should consult with their respective district office to order. Please contact your NBA office if there are problems with such orders.

The Postal Service has completed their testing of temperature measuring equipment, and has identified a company that will provide technicians to conduct what they describe as highly accurate COVID-19 testing in postal facilities. As they decide if, when, and where they would like to proceed with any such virus related testing of employees, we are discussing the necessary policies, procedures, and

protocols that would need to be agreed on before any such testing and contact tracing could be implemented.

Today, almost 8,000 postal employees are under quarantine from the virus. Almost 27,000 previously quarantined postal employees have been cleared and returned to work. About 2,100 of the currently quarantined postal employees have tested positive for the virus, and another 500 plus are presumed to be positive. Another 3,000 postal employees who tested positive in the past have recovered and returned to work. Of all these numbers, about thirty percent are letter carriers. Sadly, 72 postal employees have passed away from the virus, including 15 city letter carriers.

Thank you for all that you do. As you continue your selfless and heroic service to the American public, please stay safe. God bless each of you and your families.