



# The U.S. Postal Service: Common Questions About Post Office Closures

**Kevin R. Kosar**

Analyst in American National Government

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## Summary

In recent years, the U.S. Postal Service (USPS) has announced initiatives to close up to 4,380 USPS retail facilities in rural, suburban, and urban areas. In May 2012, the agency may have changed course. The USPS issued a plan to “preserve” rural post offices, in great part by reducing their operating hours. In the same instance, the agency noted it was reviewing the status of 13,000 rural post offices, some of which might be closed. Thus, how many post offices may be closed remains unclear.

More than a dozen bills in the 112<sup>th</sup> Congress carry provisions that address post offices and the public’s access to retail postal services, including H.R. 2309, H.R. 2692, S. 1668, and S. 1789.

This report addresses common questions about the closure of post offices. Questions answered include (1) What is a post office? (2) How many post offices are there? (3) How many post offices might the USPS close? (4) What authority does the USPS have to close post offices? (5) What is the current post office closure process? (6) What is the role of the Postal Regulatory Commission in post office closures? (7) When might the post office closure process begin? (8) How many USPS employees may lose their jobs? and (9) What current legislation carries provisions related to post offices?

Colloquially, the term “post office” often is employed to refer to any place where stamps are sold and postal services are provided by USPS employees. However, the USPS differentiates among several categories of postal facilities, including post offices, post office branches and stations, community post offices, and contract postal units. At the end of FY2011, the USPS had 35,119 retail postal facilities.

Congress has given the USPS considerable discretion to decide how many post offices to erect and where to place them. Congress also requires the USPS to provide the public with access to retail postal services (e.g., sales of postage, parcel acceptance, etc.).

Both federal law and the USPS’s rules prescribe a post office closure process, which takes at least 120 days. The USPS must notify the affected public and hold a 60-day comment period prior to closing a post office. Should the USPS decide to close a post office, the public has 30 days to appeal the decision to the Postal Regulatory Commission. Sixty days after it has made a closure decision, the USPS may shut down a post office.

H.R. 2309, H.R. 2692, S. 1668, and S. 1789 are very different from one another. Among their other provisions, H.R. 2309 would reduce the number of post offices; H.R. 2692 would alter the post office closure process; S. 1668 would forbid any closure that would create more than 10 miles’ distance between any two post offices; and S. 1789 would alter the post office closure process and greatly reduce the USPS’s authority to close post offices.

This report will be updated to reflect significant developments.

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## What Is a Post Office?

Colloquially, the term “post office” often is employed to refer to any place where stamps are sold and postal services are provided by USPS employees. Post offices, branches, stations, and community post offices all offer to the public a range of postal services. They are where many individuals go to buy stamps and ship packages.<sup>1</sup>

The USPS, however, administratively differentiates the types of retail postal facilities that conduct these same activities:

- main post office—The basic organizational unit of the USPS. Generally, each post office has primary responsibility for collection, delivery, and retail operations in a specific geographic area. [Also called “post office.”]
- post office branch—A unit of a main post office that is outside the corporate limits of the city or town of the main post office. [Also called “classified branch.”]
- post office station—A unit of a main post office that is within the corporate limits of the city or town of the main post office. [Also called “classified station.”]<sup>2</sup>

Each post office is managed by a postmaster; post office branches and stations are not. Branches and stations instead have managers who are under the direction of postmasters.

The USPS also provides postal services to customers through privately operated facilities:

- contract postal unit—A postal unit that is a subordinate unit within the service area of a main post office. It is usually located in a store or place of business and is operated by a contractor who accepts mail from the public, sells postage and supplies, and provides selected special services (for example, postal money order or registered mail).
- community post office—A contract postal unit that provides service in a community where an independent post office has been discontinued. [It] bears its community’s name and ZIP Code as part of a recognized address.<sup>3</sup>

Herein, the term “USPS retail postal facilities” will encompass all five of the aforementioned postal facilities—post offices, post office branches, post office stations, community post offices, and contract postal units.

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<sup>1</sup> Retail postal facilities may be contrasted with non-retail postal facilities, which do not directly serve the public. Mail processing plants and area offices are examples of non-retail postal facilities. See Government Accountability Office, *U.S. Postal Service, Mail Processing Network Exceeds What Is Needed for Declining Mail Volume*, GAO-12-470, April 2012; and Government Accountability Office, *U.S. Postal Service: Field Offices’ Role in Cost-Reduction and Revenue-Generation Efforts*, GAO-12-506, April 2012.

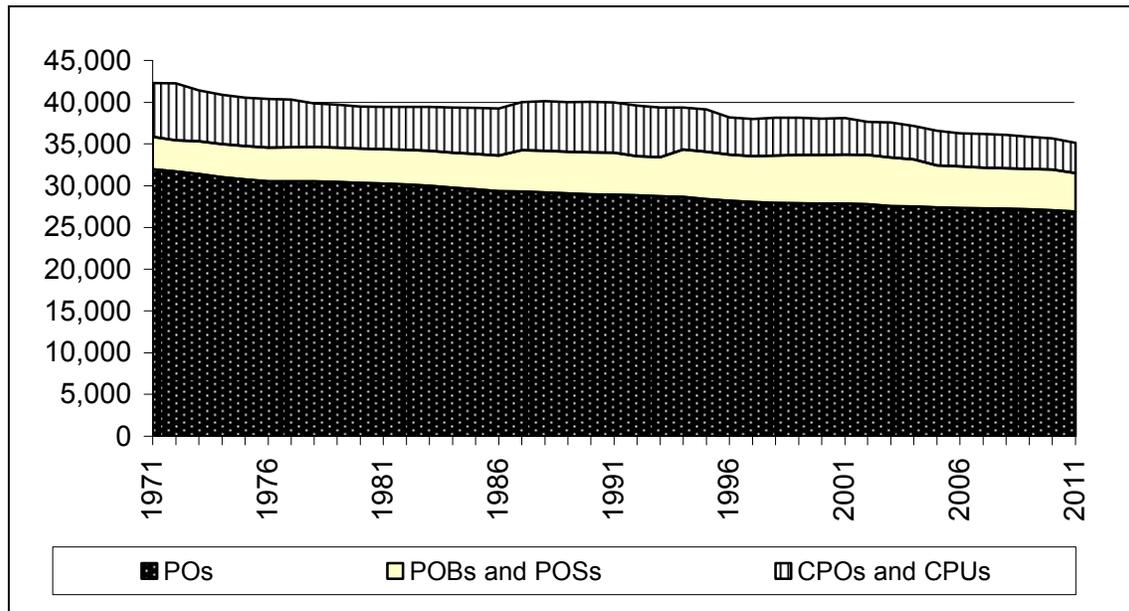
<sup>2</sup> U.S. Postal Service, *Publication 32: Glossary of Postal Terms* (Washington: USPS, April 2011), p. 176, at <http://about.usps.com/publications/pub32.pdf>.

<sup>3</sup> *Ibid.*, pp. 49, 45.

## How Many Post Offices Are There?

The USPS’s annual reports contain tabulations of the number of USPS retail postal facilities in existence at the end of each fiscal year. **Figure 1** presents data on the number of facilities from FY1971 through FY2011. Over time, the USPS has altered the terms used to refer to some of these facilities. Additionally, the USPS has disaggregated post office branches from post office stations only since FY2004. Hence, **Figure 1** and **Table 1** present the retail postal facilities data as compiled into three categories: post offices (POs), post office branches and stations (POBs and POSs), and community post offices and contract postal units (CPOs and CPUs).

**Figure 1. The Number of USPS Retail Postal Facilities, FY1971-FY2011**



Source: U.S. Postal Service, *Annual Reports*, 1971-2011.

**Figure 1** and **Table 1** indicate that the total number of USPS retail postal facilities has declined steadily.<sup>4</sup> In FY1971, the USPS had 42,287 retail facilities; in FY2011 it had 35,119—17.0% fewer. The number of POs has dropped 15.7%, and the number of CPUs and CPOs has declined 43.9%. Meanwhile, the number of POBs and POSs has increased 17.3%.

<sup>4</sup> These data should not be interpreted to mean that customer access to postal services has declined. Customer access to postal services depends on many variables. For example, these data exclude non-USPS retail outlets that provide postal services, such as grocery stores that sell postage stamps.

**Table I. The Number of USPS Retail Postal Facilities, FY1971 vs. FY2011**

Retail Postal Facility Type	1971	2011	% Change
Post Offices	31,947	26,927	-15.7%
Post Office Branches and Post Office Stations	3,906	4,582	17.3%
Community Post Offices and Contract Postal Units	6,434	3,610	-43.9%
Total	42,287	35,119	-17.0%

Source: U.S. Postal Service, *Annual Reports*, 1971-2011.

## How Many Post Offices Might the USPS Close?

It is unclear how many retail postal facilities the USPS may close. This uncertainty is the product of shifting USPS plans in recent years.

(1) In May 2009, the USPS announced it planned to shutter up to 3,105 retail facilities.<sup>5</sup> How many of these post office stations and branches ultimately were closed is unknown. As of mid-2011, reportedly 280 of these facilities had been closed.<sup>6</sup> According to the data in **Figure 1**, the number of post office branches and stations has decreased by 269, from 4,851 to 4,582 between FY2008 and FY2011.

(2) In July 2011, the USPS declared that it might close 3,652 post offices, which would have amounted to approximately 10.2% of its then 35,633 retail facilities.<sup>7</sup> The agency reported that that these included:

- 2,825 post offices, each of which earned less than \$27,500 in revenue annually;
- 384 post office stations and branches, each of which earned FY2010 revenue of less than \$600,000;
- 178 “retail annexes,” each of which earned FY2010 revenues of less than \$1,000,000; and
- 265 post offices, stations, and branches that were undergoing discontinuance review already.<sup>8</sup>

<sup>5</sup> On the USPS’s May 2009 post office closure proposal, see CRS Report R40719, *Post Office and Retail Postal Facility Closures: Overview and Issues for Congress*, by Kevin R. Kosar. The USPS’s list of the 728 retail facilities being considered for closure under the 2009 closure proposal is at <http://www.prc.gov/Docs/74/74156/USPS.LR.3.xls>.

<sup>6</sup> Lisa Rein, “Postal Service Names 3,700 Post Offices That Could Be Closed,” *Washington Post*, July 27, 2011, at [http://www.washingtonpost.com/politics/postal-service-names-3700-post-offices-that-could-be-closed/2011/07/26/gIQAk3tbI\\_story.html?hpid=z4](http://www.washingtonpost.com/politics/postal-service-names-3700-post-offices-that-could-be-closed/2011/07/26/gIQAk3tbI_story.html?hpid=z4).

<sup>7</sup> U.S. Postal Service, “Postal Service Takes Next Step in Optimizing Retail Network,” press release, July 26, 2011, at [http://about.usps.com/news/national-releases/2011/pr11\\_089.htm](http://about.usps.com/news/national-releases/2011/pr11_089.htm).

<sup>8</sup> U.S. Postal Service, “Request of the U.S. Postal Service for an Advisory Opinion On Changes In the Nature of Postal Services,” Postal Regulatory Commission, Docket N2011-1, July 27, 2011, pp. 5-6, at <http://www.prc.gov/Docs/74/74124/Request.FINAL.pdf>. The USPS’s July 2011 list of 3,652 post offices that will be considered for closure is at <http://www.prc.gov/Docs/74/74155/USPS.LR.2.xls>. The *Washington Post* has produced a map indicating the locations (continued...)

The USPS claimed that closing all these facilities could save more than \$200 million per year.<sup>9</sup> However, in December 2011 the USPS reported that it had suspended its post office closures until May 15, 2012 “in response to a request made by multiple U.S. Senators.”<sup>10</sup>

(3) In May 2012, the USPS announced that it would attempt to preserve small rural post offices by reducing the hours they are kept open and shrinking the cohort of postmasters.<sup>11</sup> The agency released a 260-page preliminary list of post offices that may have their operating hours reduced.<sup>12</sup> The USPS has requested an advisory opinion from the PRC on this latest initiative.<sup>13</sup>

However, the USPS’s communications on this rural post office initiative do not clarify the status of the 2009 and 2011 retail closure initiatives.<sup>14</sup> Nor did the agency state which of the postal facilities on the 2009 and 2011 lists have been shuttered or might be shut down. Additionally, the USPS reports it has begun “a review process for approximately 13,000 [rural] post offices.”<sup>15</sup> Some of these rural retail facilities could be closed or replaced by “village post offices.”<sup>16</sup> A village post office is a term recently coined by the USPS to refer to an arrangement substantially similar to a contract postal unit.<sup>17</sup> Staffed by a non-USPS employee and located within a private retail outlet, a village post office would provide the following services: mail collection boxes, post offices boxes, stamp sales, and prepaid Priority Mail flat rate boxes and envelope sales and receipt. A village post office would not provide other services, such as passport registration, money orders, and non-uniform parcel shipping.<sup>18</sup> The provision of USPS products and services by private vendors is not unusual. Currently, the USPS has more than 70,000 third-party postal retail locations.<sup>19</sup> The USPS views village post offices and other contractual arrangements as less expensive than operating a post office.<sup>20</sup>

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(...continued)

of the 3,652 possible closures by state at [http://www.washingtonpost.com/politics/postal-code-closed/2011/07/26/gIQAkuagbl\\_graphic.html](http://www.washingtonpost.com/politics/postal-code-closed/2011/07/26/gIQAkuagbl_graphic.html).

<sup>9</sup> Sean Reilly, “USPS Weighs Closure of Up to 3,600 Post Offices,” *Federal Times*, July 26, 2011, at <http://www.federaltimes.com/article/20110726/DEPARTMENTS02/107260303/1001>.

<sup>10</sup> U.S. Postal Service, “Statement on Delay of Closing or Consolidation of Post Offices and Mail Processing Facilities,” December 13, 2011, at [http://about.usps.com/news/national-releases/2011/pr11\\_1213closings.htm](http://about.usps.com/news/national-releases/2011/pr11_1213closings.htm).

<sup>11</sup> U.S. Postal Service, “New Strategy to Preserve the Nation’s Smallest Post Offices,” press release, May 9, 2012, at [http://about.usps.com/news/national-releases/2012/pr12\\_054.htm](http://about.usps.com/news/national-releases/2012/pr12_054.htm).

<sup>12</sup> U.S. Postal Service, “Affected Post Offices,” May 9, 2012, at <http://about.usps.com/news/electronic-press-kits/our-future-network/assets/pdf/postplan-affected-post-offices-120509.pdf>.

<sup>13</sup> Postal Regulatory Commission, “PRC to Review U.S. Postal Service’s Second Proposal to Cut Post Office Costs and Operations,” press release, June 4, 2012, at [http://www.prc.gov/prc-docs/home/whatsnew/PRC%20release%20June%204%202012%20N2012-2\\_2693.pdf](http://www.prc.gov/prc-docs/home/whatsnew/PRC%20release%20June%204%202012%20N2012-2_2693.pdf).

<sup>14</sup> See the communications at <http://about.usps.com/news/electronic-press-kits/our-future-network/welcome.htm>.

<sup>15</sup> U.S. Postal Service, “Our Plan to Preserve Rural Post Offices,” May 9, 2012, p. 12, at <http://about.usps.com/news/electronic-press-kits/our-future-network/assets/pdf/postplan-presentation-120509.pdf>.

<sup>16</sup> *Ibid.*, pp. 8-9.

<sup>17</sup> U.S. Postal Service, “Village Post Offices,” fact sheet, July 2011, at <http://about.usps.com/news/electronic-press-kits/expandedaccess/assets/pdf/vpo-fact-sheet-110726.pdf>.

<sup>18</sup> A non-uniform parcel refers to package or large envelope that is anything other than a Priority Mail box or envelope.

<sup>19</sup> U.S. Postal Service, “New Strategy Preserves Post Offices in Rural America,” fact sheet, May 9, 2012, at <http://about.usps.com/news/electronic-press-kits/our-future-network/assets/pdf/postplan-fact-sheet-120509.pdf>.

<sup>20</sup> A post office requires the USPS to own or rent a facility, and bear the cost of compensating USPS employees. This is not the case with a contract or village post office.

## What Authority Does the USPS Have to Close Post Offices?

The USPS was established in 1971 by the Postal Reorganization Act (PRA; P.L. 91-375; 84 Stat. 725). Previously, postal services had been provided by the U.S. Post Office Department (USPOD), a government agency that received annual appropriations from Congress. Members were involved in many aspects of the USPOD's operations, including the selection of managers (e.g., postmasters) and the pricing of postal services. Under this configuration, the Post Office had operational difficulties and developed a reputation for incompetence and corruption.<sup>21</sup>

The PRA abolished USPOD and replaced it with the U.S. Postal Service, an "independent establishment of the executive branch" (39 U.S.C. 201). The USPS is a marketized government agency that has far greater freedom to run its operations than the former Post Office Department.<sup>22</sup> It does not rely on appropriations for its operating revenue.<sup>23</sup>

Congress assigned the USPS the "general duty" to "maintain an efficient system of collection, sorting, and delivery of the mail nationwide" (39 U.S.C. 403(b)). In order to carry out this obligation, the law gives the USPS the "specific powers" to

- "provide for the collection, handling, transportation, delivery, forwarding, returning, and holding of mail, and for the disposition of undeliverable mail" (39 U.S.C. 404(a)(1)); and
- "determine the need for post offices, postal and training facilities and equipment, and ... provide such offices, facilities, and equipment as it determines are needed" (39 U.S.C. 404(a)(13)).<sup>24</sup>

While Congress designed the USPS to be a self-supporting entity, the nation's legislature also requires the USPS to serve the public as a whole. This "public service obligation," as it often is termed, is located in the PRA's chapters on "postal policy" (39 U.S.C. 101) and the USPS's "general authority" (39 U.S.C. 403):

- "The United States Postal Service shall be operated as a basic and fundamental service provided to the people by the Government of the United States, authorized by the Constitution, created by [an] Act of Congress, and supported by the people. The Postal Service shall have as its basic function the obligation to provide postal services to bind the Nation together through the personal,

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<sup>21</sup> The view of USPOD as an agency riddled with patronage and scandal began long ago. For example, Joseph L. Bristow, who served as an assistant postmaster general from 1897 to 1905, provides accounts in his book, *Fraud and Politics at the Turn of the Century* (New York: Exposition Press, 1952).

<sup>22</sup> The term "marketization" refers to the redesign of a government agency in order to make it provide goods and services in the manner of a private firm. On marketization as an alternative to privatization, see CRS Report RL33777, *Privatization and the Federal Government: An Introduction*, by Kevin R. Kosar.

<sup>23</sup> Congress does provide an annual appropriation to the USPS to compensate it for the revenue it forgoes in providing, at congressional direction, free mailing privileges to the blind and overseas voters. For further information on the USPS and the appropriations process, see CRS Report R42008, *Financial Services and General Government: FY2012 Appropriations*, coordinated by Garrett Hatch, pp. 78-80.

<sup>24</sup> Similarly, Congress requires the USPS in "selecting modes of transportation, the Postal Service shall give highest consideration to the prompt and economical delivery of all mail" (39 U.S.C. 101(f)).

educational, literary, and business correspondence of the people. It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal services to all communities” (39 U.S.C. 101(a)); and

- “The Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining. No small post office shall be closed solely for operating at a deficit, it being the specific intent of the Congress that effective postal services be insured to residents of both urban and rural communities” (39 U.S.C. 101(b)).

Congress also assigned the USPS the general duties to

- “receive, transmit, and deliver throughout the United States, its territories and possessions ... written and printed matter, parcels, and like materials and provide such other services incidental thereto as it finds appropriate to its functions and in the public interest... (39 U.S.C. 403(a)); and
- “establish and maintain postal facilities of such character and in such locations, that postal patrons throughout the Nation will, consistent with reasonable economies of postal operations, have ready access to essential postal services” (39 U.S.C. 403(b)).

Additionally, Congress has underscored the USPS’s duty to serve less densely populated areas by including a provision in annual appropriation laws that reads, “none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in [this] fiscal year.”<sup>25</sup>

## **What Is the Post Office Closure Process?**

Federal postal law sets forth the basic rules by which the USPS may proceed to close a post office. The USPS must “provide adequate notice of its intention to close or consolidate such post office at least 60 days prior to the proposed date of such closing or consolidation to persons served by such post office to ensure that such persons will have an opportunity to present their views” (39 U.S.C. 404(d)(1)).<sup>26</sup>

In deciding whether to close a post office, the USPS must consider

- (i) the effect of such closing or consolidation on the community served by such post office;
- (ii) the effect of such closing or consolidation on employees of the Postal Service employed at such office;
- (iii) whether such closing or consolidation is consistent with the policy of the Government ... that the Postal Service shall provide a maximum degree of effective and regular postal

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<sup>25</sup> For example, see P.L. 110-161; 121 Stat. 2013.

<sup>26</sup> The USPS released new retail postal facility closure rules in July 2011. Readers seeking additional details of the USPS’s closure rules and rationales for its rules may consult 39 C.F.R. 241, “Post Office Organization and Administration: Establishment, Classification, and Discontinuance,” at 76 F.R. 41413-41424, July 14, 2011.

services to rural areas, communities, and small towns where post offices are not self-sustaining;

(iv) the economic savings to the Postal Service resulting from such closing or consolidation; and

(v) such other factors as the Postal Service determines are necessary (39 U.S.C. 404(d)(2)(A)).

If the USPS decides to move forward with the closure, it must notify the persons served by the post office of its decision and the findings used to arrive at this decision. The USPS must wait at least 60 more days before proceeding with the closure, and any person served by the post office slated for closure may appeal the closure to the PRC, which has up to 120 days to consider the appeal. The USPS is not required to wait for the PRC to issue its opinion. It may close a retail facility 60 days after it makes its closure announcement.

The PRC may fault the USPS's decision to close a post office only if the PRC finds the decision to be "(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (B) without observance of procedure required by law; or (C) unsupported by substantial evidence on the record" (39 U.S.C. 404(d)(5)). The PRC may require the USPS to reconsider its decision, but the ultimate authority to close a post office rests with the USPS.

The USPS long has had a separate "emergency suspension" process that it may employ to immediately cease service at a retail facility without following the aforementioned closure process.<sup>27</sup> The USPS has been criticized for using it in situations that were foreseeable and perhaps not emergencies, and for failing to re-open these facilities.<sup>28</sup> Under the most recently adopted post office closure rules, the USPS may close a post office immediately "due to cancellation of a lease or rental agreement when no suitable alternate quarters are available in the community, a fire or natural disaster, irreparable damage when no suitable alternate quarters are available in the community, challenge to the sanctity of the mail, or similar reasons."<sup>29</sup>

## **What Is the Role of the Postal Regulatory Commission in Post Office Closures?**

As noted in the previous section of this report, a member of the public may appeal a post office closure to the PRC. The current USPS's post office closure regulations continue the USPS's long-standing position that it will participate in appeals only if the facility closed is a post office (as opposed to a post office branch or station).<sup>30</sup> The PRC may fault the USPS's decision to close a

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<sup>27</sup> U.S. Postal Service, *Post Office Discontinuance Guide*, Handbook PO-101 (Washington: USPS, July 2011), pp. 7, 39-42, at <http://www.prc.gov/Docs/74/74154/USPS%20Handbook%20PO-101%20USPS-LR-N2011-1-1.pdf>.

<sup>28</sup> Postal Regulatory Commission, "Order On Appeal of Hacker Valley, West Virginia Post Office Closing," Docket A2009-1, October 19, 2009, at <http://prc.gov/Docs/65/65247/Order%20319.pdf>; and Jennifer Levitz, "Ruling on Shuttered Post Offices Expected Soon," *Wall Street Journal*, January 24, 2011, at <http://online.wsj.com/article/SB10001424052748703555804576102121012318918.html>.

<sup>29</sup> U.S. Postal Service, "Post Office Organization and Administration: Establishment, Classification, and Discontinuance," 76 *Federal Register* 41421, July 14, 2011.

<sup>30</sup> *Ibid.*, at 76 *Federal Register* 41413-41424.

post office only if the PRC finds the decision to be “(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (B) without observance of procedure required by law; or (C) unsupported by substantial evidence on the record” (39 U.S.C. 404(d)(5)). The PRC may require the USPS to reconsider its decision, but the ultimate authority to close a post office rests with the USPS.

Federal statute also provides another instance in which the PRC may play a role in the closure process. 39 U.S.C. 3661(b) requires the USPS to obtain an advisory opinion from the PRC when the USPS “determines that there should be a change in the nature of postal services which will generally affect service on a nationwide or substantially nationwide basis.” Thus, in the case of the proposed closure of large numbers of retail postal facilities, the PRC is to be consulted.

On July 27, 2011, the USPS submitted its post office closure proposal (“Retail Access Optimization Initiative”) to the PRC, which issued its opinion on December 23, 2011.<sup>31</sup> The PRC faulted the USPS’s approach to identifying facilities for possible closure, and for failing to ensure that sufficient retail access is maintained in the event of a post office closure. It also suggested alterations the USPS might employ to improve its approach to identifying post offices for possible closure and measuring the results of closures.

The USPS is not bound by the PRC’s opinion. By law and regulation, the USPS was permitted to commence closing retail facilities 90 days (October 25, 2011) after it submitted its proposal to the PRC.<sup>32</sup>

## **When Might the Post Office Closure Process Begin?**

It is unclear whether the USPS’s mass facilities closing processes are continuing. As noted above, USPS’s May 2012 communications regarding its rural post office initiative did not address the status of the 2009 and 2011 closure initiatives.

## **How Many USPS Employees May Lose Their Jobs?**

In making its various post office closure announcements, the USPS did not indicate whether any employees would lose their positions. One 2011 media report quoted the USPS as saying 4,500 employees would be affected by the closures, but did not clarify how many would lose their positions.<sup>33</sup> Most postal clerks, those who work at post office counters, and letter carriers are protected from layoffs through collective bargaining agreements.<sup>34</sup> However, postmasters and other managers are not covered by collective bargaining agreements.

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<sup>31</sup> U.S. Postal Service, “Request of the U.S. Postal Service for an Advisory Opinion On Changes In the Nature of Postal Services.” The PRC docket, which holds the USPS’s request and other documents related to the PRC’s consideration of the closures, is located at <http://www.prc.gov/prc-pages/library/dockets.aspx?activeview=DocketView&docketType=Single&docketid=N2011-1>; and Postal Regulatory Commission, “Advisory Opinion on Retail Optimization Initiative,” Docket No. N2011-1, December 23, 2011, at [http://www.prc.gov/Docs/78/78971/N2011-1\\_AdvisoryOP.pdf](http://www.prc.gov/Docs/78/78971/N2011-1_AdvisoryOP.pdf).

<sup>32</sup> 39 U.S.C. 3661(b) requires the USPS to submit its request for an opinion “within a reasonable time prior to the effective date of such proposal.” The PRC has defined “a reasonable time” to mean 90 days. 39 C.F.R. 3001.72.

<sup>33</sup> Rein, “Postal Service Names 3,700 Post Offices That Could Be Closed,” *Washington Post*.

<sup>34</sup> For example, see Collective Bargaining Agreement Between American Postal Workers Union, AFL-CIO, and U.S. (continued...)

The USPS's May 2012 announcement concerning its rural post office preservation effort provided no estimate of the number of possible job eliminations. Approximately 21,000 postmasters may be offered retirement and early retirement incentives, although it is unclear how many will accept the USPS's offer.<sup>35</sup>

## What Current Legislation Carries Provisions Related to Post Offices?

In the 112<sup>th</sup> Congress, more than two dozen bills carry provisions related to the USPS's post offices and retail service to the public. The bills vary in their approaches to altering the post office closure, and H.R. 2309, H.R. 2692, S. 1668, and S. 1789 illustrate this diversity.

### H.R. 2309

Representative Darrell Issa introduced H.R. 2309, the Postal Reform Act of 2011, on June 23, 2011. H.R. 2309 was amended and reported by the Committee on Oversight and Government Reform (which Representative Issa chairs) and the Committee on Rules on January 17, 2012, and March 29, 2012, respectively.

H.R. 2309 would

- amend 39 U.S.C. to establish a Commission on Postal Reorganization (CPR), an entity similar to the base realignment commissions (BRAC) that have been used to reduce the number of military bases. With the assistance of the USPS and USPS Inspector General, the CPR would prepare recommendations to reduce both the USPS's networks of post offices and non-retail facilities so as to save \$2 billion within two years of the adoption of said recommendations. Congress may pass a joint resolution of disapproval to prevent the closure recommendations from being executed. H.R. 2309 would cap the number of small rural post offices that may be closed at 10% of the total number of post offices closed,<sup>36</sup>
- strike language from 39 U.S.C. 101(b) to increase the USPS's authority to close post offices: "~~The Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining~~"; and "~~No small post office shall be closed solely for operating at a deficit, it being the specific intent of the Congress that effective postal services be insured to residents of both urban and rural communities.~~"<sup>37</sup>

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(...continued)

Postal Service, November 21, 2010-November 20, 2015 (Washington: APWU, 2011), pp. 5-11, at <http://www.apwu.org/dept/ind-rel/sc/APWU%20Contract%202010-2015.pdf>.

<sup>35</sup> National League of Postmasters, "Voluntary Retirement Incentive," May 9, 2012, at <http://www.postmasters.org/news/Postplan/>.

<sup>36</sup> H.R. 2309, Sections 103-108.

<sup>37</sup> H.R. 2309, Section 112.

- amend 39 U.S.C. 404(d), which sets forth the process for the USPS to follow when it closes post offices, to conform to the amendment of 39 U.S.C. 101(b),<sup>38</sup> and
- amend 39 U.S.C. 404(d) to disallow the public to appeal a post office closure if a contract post office is located within two miles of the post office closed.<sup>39</sup>

## **H.R. 2692**

Representative Albio Sires introduced H.R. 2692, the Access to Postal Services Act, on July 28, 2011. H.R. 2692 was referred to the Committee on Oversight and Government Reform.

H.R. 2692 would

- amend 39 U.S.C. 404 to define the term “post office” to include main post offices, post office branches, post office stations, and other USPS-operated retail outlets;<sup>40</sup>
- amend 39 U.S.C. 404(d)(1) to require the USPS to notify affected members of the public of a proposed post office closure through mail and newspaper notices;<sup>41</sup>
- strike language at 39 U.S.C. 404(d)(2)(a)(4)-(5) permitting the USPS to consider the cost savings in its consideration of the possible closure of a post office;<sup>42</sup>
- amend 39 U.S.C. 404(d) to include a new provision that would forbid the USPS from avoiding the closure process prescribed by 39 U.S.C. 404(d) by declaring an emergency closure in the event of a “termination or cancellation of the lease by a party other than the Postal Service”; and
- amend 39 U.S.C. 404(d) to include a new provision that would require the USPS Inspector General not later than two years after a post office closure to assess the actual savings achieved as compared to those estimated by the USPS prior to the closure.<sup>43</sup>

## **S. 1668**

Senator Jeff Merkley introduced S. 1668, the Protecting Rural Post Offices Act of 2011, on October 6, 2011. S. 1668 was referred to the Committee on Homeland Security and Governmental Affairs.

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<sup>38</sup> Ibid.

<sup>39</sup> Ibid.

<sup>40</sup> H.R. 2692, Section 4. The effect of this provision would be to compel the USPS to recognize a public right to appeal the closure of any USPS-operated retail postal facilities to the Postal Regulatory Commission. Currently, the USPS denies the public’s right to appeal the closure of post office branches and stations. See “Post Office Organization and Administration: Establishment, Classification, and Discontinuance,” at 76 F.R. 41414-41415, and 41421.

<sup>41</sup> H.R. 2692, Section 2.

<sup>42</sup> Ibid.

<sup>43</sup> H.R. 2692, Section 3.

The bill would amend 39 U.S.C. 404(d) to prohibit the USPS from closing a post office should it result “in more than 10 miles distance (as measured on roads with year-round access) between any 2 post offices.”<sup>44</sup> The bill does not define the term “post office.” So it is unclear if it is intended to apply to post office branches, stations, and other retail facilities.

## **S. 1789**

Senator Joseph Lieberman introduced S. 1789, the 21<sup>st</sup> Century Postal Service Act of 2012, on November 2, 2011. The Committee on Homeland Security and Governmental Affairs amended and reported S. 1789 on January 31, 2012, and the Senate further amended and passed S. 1789 on April 25, 2012.

S. 1789 would amend 39 U.S.C. 404(d) to require the USPS to

- examine additional factors in the course of rendering a post office closure decision, including “the effect of such closing or consolidation on the community served by such post office”;<sup>45</sup>
- consider additional options other than closure when considering closing a post office, including operating the post office for reduced hours;<sup>46</sup>
- notify “the chief executive of each State whose residents are served by such post office,” who shall appoint a “citizens service protection advocate” to “represent the interests of postal customers affected by the closing or consolidation”;<sup>47</sup> and
- notify the state board of elections, and the local board of elections.<sup>48</sup>

S. 1789 also would

- forbid the USPS from closing any post office should it produce a reduction of retail service beneath the retail service standards; and prohibit any post office closures until the USPS establishes “retail service standards”;<sup>49</sup>
- prohibit any rural post office closures during the 12 months following enactment of S. 1789;<sup>50</sup>
- prohibit any post office closures prior to November 13, 2012, in any state “that conducts all elections by mail or permits no-excuse absentee voting”;<sup>51</sup> and
- forbid the USPS from closing a rural post office should the closure have negative effects on the community, such as “substantial financial losses” to any business in the community, or a reduction in access to “essential items, such as prescription

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<sup>44</sup> S. 1668, Section 2.

<sup>45</sup> S. 1789, Section 205(a).

<sup>46</sup> Ibid.

<sup>47</sup> Ibid. and S. 1789, Section 213.

<sup>48</sup> S. 1789, Section 205(a).

<sup>49</sup> S. 1789, Section 205(b) and Section 203.

<sup>50</sup> S. 1789, Section 205(b).

<sup>51</sup> S. 1789, Section 205(c).

medications and time-sensitive communications, that are sent through the mail.<sup>52</sup>

## **Author Contact Information**

Kevin R. Kosar  
Analyst in American National Government  
kkosar@crs.loc.gov, 7-3968

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<sup>52</sup> S. 1789, Section 205(a).