



Congressman
John M. McHugh

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Committee on Government Reform

POSTAL SUBCOMMITTEE CHAIRMAN McHUGH OPPOSES WAXMAN POSTAL BILL
New Bill Would Derail Current Efforts to Modernize America's Postal System

WASHINGTON -- House Postal Service Subcommittee Chairman John M. McHugh (R-NY) today released the following statement in response to the introduction of Representative Hem-y Waxman's (D-CA) postal bill intended as a substitute to H.R. 22, the Postal Modernization Act of 1999, a comprehensive postal modernization bill authored by Chairman McHugh:

"Congressman Waxman's so-called postal reform proposal reflects an unfortunate abandonment of our nation's responsibility to the U.S. Postal Service, its 850,000 employees, and the 272 million American citizens who depend on universal service at uniform rates. This minimalist approach would represent a death sentence for the nation's postal and delivery system. Indeed, there is no reform in Congressman Waxman's proposal. Rather, it would only impede the efforts of those who are concerned about the future of our nation's postal system. Sadly, this legislation would obstruct any substantive proposal -- regardless of its merits -- from advancing from the Government Reform Committee to the House floor.

"The Waxman proposal does nothing to provide the Postal Service true pricing and managerial tools to confront the serious decline in revenue caused by electronic diversion from the Internet and e-commerce, as well as the serious constraints it faces from 30-year-old postal laws. In addition, this proposal fails to substantively address the concerns of the American mailing consumer who demands assurances on rate stability and service quality. The bill utterly ignores the concerns of small business and private sector competitors who demand strong rules to protect the public interest from unfair competition.

"By failing to prepare our postal system for the 21st century, Congressman Waxman's approach is akin to shuffling the deck chairs on the Titanic. It is a limited bill with limited impact; indeed, it reflects just a few weeks of work and limited consultation.

"The Subcommittee bill, H.R. 22, on the other hand, is well-refined legislation. It has been twice approved by the Subcommittee with the inclusion of several bipartisan amendments. H.R. 22 reflects four and a half years of hearings, testimony, and development. Our credo has been to do it right, not quickly.

"And the result is that H.R. 22 is supported by, *among others*, the Postal Service, Federal Express Corporation, American Express, Time Warner, America Online, National Rural Letter Carriers Association, Pitney Bowes, Inc., and numerous organizations who comprise the majority of customers of our nation's postal system, including the National Newspaper Association, National Federation of Nonprofits, the Direct Marketing Association, the Parcel Shippers Association, and the Magazine Publishers of America."

Detailed information and a summary of H.R. 22 can be obtained from the Subcommittee web site:
<http://www.house.gov/reform/postal/hearings/hr22.htm>

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