



RED TAG NEWSLETTER MARCH 2021

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CALENDAR OF EVENTS – 2021

03-02-21	Southern Area AIM Meeting	Virtual
03-18-21	Atlantic Area AIM Meeting	Virtual
03-30/31-21	MTAC Meeting	Wash DC – Tentative
4-8-21	Atlantic Area AIM Meeting	Virtual
05-02/05-21	National Postal Forum	Nashville TN (*)
05-06-21	Atlantic Area AIM Meeting	Virtual
06-03-21	Atlantic Area AIM Meeting	Virtual
06-29/30-21	MTAC Meeting	Wash DC – Tentative
08-10-21	Southern Area AIM Meeting	Virtual
11-02/03-21	MTAC Meeting	Wash DC - Tentative

(*) – The decision has been made to hold the NPF as a virtual/ZOOM set of meetings

AIM Meetings have not been scheduled for 2021 in-person yet and virtual for some.

PRESIDENT NOMINATES BOARD OF GOVERNOR'S CANDIDATES – PMG TALKS SERVICE AND REFORM TO CONGRESS – REORGANIZATION AND EARLY OUTS COMING FOR USPS – LIST OF NEW DISTRICTS AND OTHER USPS CHANGES

Candidates Nominated For Postal Board of Governors

President Biden has submitted the names of three individuals as his choice to fill the three vacant spots on the United States Postal Service Board of Governors to fill all of the remaining vacancies. If approved, they will round out the soon-to-be bipartisan board.

The first is Anton Haijar. He is the former general counsel for the American Postal Workers Union, AFL-CIO, the largest of the USPS labor organizations. He has significant experience representing unions and union workers. Mr. Haijar has also served as an advisor and pro bono attorney in employment discrimination cases. Including those of Arab and Muslim American employees following the September 11, 2001 attacks.

He continues to serve as a legal adviser to the American-Arab Anti-Discrimination Committee. In 2002, he was elected to membership in the American Law Institute and currently serves on its governing board. Mr. Haijar received his Bachelor's Degree from Fordham University, graduated with honors from Tulane University Law School and Clerked for Judge Minor Wisdom of the

Court of Appeals for the fifth Circuit. He also spent seven years on the National Labor Relations Board.

The second nominee, Amber McReynolds, is a leading expert on election administration and policy. She is currently the CEO of the National Vote At Home Institute, a non-partisan, non-profit institution dedicated to expanding and improving vote-by-mail systems in all fifty states.

She was also the former Director of Elections for the city and county of Denver Colorado., where her team implemented a first-in-the-nation ballot tracking, reporting and communications program that increased accountability and enhanced security for mail ballots. She co-authored the book, "When Women Vote."

Ms. McReynolds received her Bachelor's degree from the University of Illinois, Champaign-Urbana campus and her Master's Degree from the London School of Economics and Political Science.

The third and last nominee is Ron Stroman. Mr. Stroman may be best known for his time as Deputy Postmaster General and

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Chief Governmental Relations Officer for the U.S. Postal Service. Previous to his Postal Service position he served in multiple roles in the House of Representatives including Staff Director and Minority Staff Director for the Committee on Oversight and Government Reform, staff member on the Committee For Government Operations, and Counsel for the House Judiciary Committee.

Mr. Stroman has also previously worked in an executive role at the U.S. Department of Transportation and as an attorney with the U.S. Department of Housing and Urban Development. He received his Bachelor's Degree from Manhattan College and his J.D. from Rutgers University Law Center.

During his tenure at the Postal Service, Mr. Stroman led government affairs and international mail issues for it. Additionally, he worked with state and local officials to oversee the expansion of vote-by-mail. He spearheaded strategic outreach for elections and political mail divisions as the use of vote-by-mail has increased over the past five years.

Working with the State Department, he was able to prevent the United States from leaving the Universal Postal Union in 2019 and led the agency's work in an intergovernmental strategy on electronic data for international packages, and helped law enforcement agencies detect shipments of illegal drugs.

If approved, these three nominees will bring a wealth of postal and other background experience to a Postal Service that is floundering in red ink and need all the help

it can get to turn the ship-of-state in a new direction.

PMG Says New Legislation Coupled With Service Changes Will Work

House lawmakers moved new legislation forward once again on February 17 2021, to try to achieve postal reform. This effort won instant praise from the Postmaster General.

Plans for service changes that would impact some First-Class Mail delivery were teased during these congressional hearings as part of the blueprint for the Postal Service's ten-year plan for transformational change to help the financially struggling post office.

Some members of the House Oversight and Reform Committee took a contentious approach to this plan, while many retained a conciliatory tone preaching the need to finally come together on long-discussed but never-enacted postal reform. Postmaster General DeJoy repeated his suggestion that keeping the status quo at the Postal Service was unsustainable and expressed optimism that all stakeholders can come together recognizing that fact.

He summarized the problems with USPS as tied to an inability to keep up with mail trends, outdated pricing, under-investment in infrastructure, inadequate engagement with customers and an insufficient strategy to grow. As he previewed at an earlier time, six-day mail delivery, more support for employees and investments in infrastructure would continue.

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While previous postal leadership has targeted worker benefits to cut costs, DeJoy said his proposals can be implemented “while sustaining and improving our valued benefits to our employees.”

He repeated that slower mail delivery will likely be part of the 10-year business plan, he will in these coming weeks release for review, stressing that the Postal Service is unable to meet its current standards. He committed to maintaining a two-day delivery standard for some mail, but said some mail currently in that category would be slowed and less of it would use air transportation. That comment did draw the ire of some lawmakers that stated these changes would ultimately harm the Postal Service.

Representative Stephen Lynch (D-MA), stated that “If the business plan for the Postal Service is to deliver an inferior product, and we’re in competition with FedEx, UPS and Amazon, that spells trouble.” He went on to add “That sounds to me like we are going in a downward spiral.”

Faced with accusations and implications, that he was simply surrendering to prior failures, Mr. DeJoy said his plan merely sought to reflect reality.

He stated, “The standards have not been met, you can sit here and think I’m bringing all this damage to the Postal Service, but as I said earlier, the place was operationally faulty because of a lack of investment and a lack of ability to move forward, which is what we are trying to do.”

Unlike previous iterations of postal reform legislation, which consistently won bipartisan support in committee but never advance to bicameral consideration, this updated draft places a much greater emphasis on USPS service and timely mail delivery. The proposal comes in the wake of mail delays unprecedented in recent history, for which the PMG has repeatedly apologized. The Inspector General has been investigating the current slowdown.

Under this bill, the Postal Service would have to set annual performance targets to meet mail delivery service standards. The Postal Regulatory Commission (PRC) would be responsible for ensuring compliance with these goals and if the USPS failed to meet them, postal management would have to develop plans to do so, or would have to adjust its service windows. The PRC would then have to sign off on that proposal and conduct periodic reviews of the agency’s service standards. Upon enactment of the bill, the USPS would be prohibited from slowing mail delivery standards until its regulator conducted such a review.

In addressing another major area of loss, and similar to other proposals, USPS Employees’ Health Benefits would be addressed by requiring postal retirees electing to receive federal health insurance to also enroll in Medicare Parts A and B as their primary care provider. Most employees enrolled in the Federal Employees Health Benefits would have to select a plan specific to USPS workers. The draft bill, like all previous postal reform, would remove the burdensome payments toward Health Care Benefits for future retirees from the agency’s

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balance sheets.

The Medicare integration would go a long way toward reducing the Postal Service's future liabilities. Both provisions have gained broad bipartisan support, and endorsements from Postal Service management and the unions in the past. federal agency guaranteed in the Constitution.

PMG DeJoy threw his support behind the bill, saying it, taken in combination with his proposed 10-year plan, would reverse the Postal Service's dozen plus years of losses. Mr. DeJoy said, "Absent this legislation that the chair proposes, there is no path to totally eliminating our loss."

Unanimous support for these measures was not forthcoming. Representative Brenda Lawrence (D-MI), who worked at the Postal Service for thirty years, said the potential for slower mail delivery would, "chip away at the foundation of what makes this agency great." Representative James Comer (R-KY), the top Republican on the committee, praised Democrats for seeking bipartisan input, but criticized them for their previous allegations against PMG DeJoy and said postal reform would require hard decisions that the bill did not address.

Mr. DeJoy has come under fire during his eight months as PMG, ranging from his selection process to controversial reforms he issued which, according to his own admission, led to widespread mail delays. Some Democrats and advocacy groups have called on President Biden to appoint members to vacant seats on the Postal Board of Governors who would remove him

from office, but the Postmaster General expressed optimism that he would remain in his job.

He wielded a two-edged sword when he told committee member to "get used to him" adding he would remain in this job for "a long time." He added, however, that he could get tired of the job and reminded the group: "there are other things I could do."

Now that the White House has named three nominees to the Board of Governors, there will be a more even distribution of policy with an equal mix of Democrats and Republicans plus one Independent. That should help pick up the pace on policy determinations and capital expenditures. Even though there will be more Democrats on the Board than before, there is no clear indication that removing the PMG is on the agenda. Instead, they will likely focus on postal reform and financial stability. The current chairman of the panel, Ron Bloom is a Democrat and indicated that he worked with the Mr. DeJoy on the 10-year plan and that the PMG has his support.

Carolyn Maloney (D-NY), chairperson of the Oversight Committee, made clear that her primary focus is on shepherding reform legislation through Congress and onto the President's desk. She said "We will not be delayed or deterred from our north star. We need to pass meaningful reforms, and hopefully bipartisan reforms, to put the Postal Service on more sustainable and financially firm footing for years to come."

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The postal reform package along with the bill to end the annual future retiree benefit debt looks like they may have a strong chance of passing this time around.

Reorganization And Early-Outs Are Planned For 2021

It looks like reorganization coupled with early-out options are coming soon in 2021. In fact the shift is beginning this month. The reorganization will be an ongoing process and the early out options will need to be decided by employees by April 6 and effective April 30th. Postmaster General DeJoy sent a letter on March 3rd outlining the changes.

DISTRICT CONSOLIDATION

The existing 67 Districts are being consolidated into 50 Districts. New District territories will align closely to state boundaries where possible. Districts will align with the communities served and provide familiar boundaries for employees, customers and stakeholders.

MARKETING FUNCTIONS

The Marketing functions previously performed at the Area and District levels will be centralized into the Chief Customer and Marketing organization, including Consumer and Industry Affairs and the Bulk Mail Entry Units (BMEUs). In May 2021, the District Retail function will be centralized into the Headquarters Retail and Delivery Function. In the interim, the Retail teams will be assigned to one of the 50 District Managers.

LOGISTICS AND PROCESSING OPS

To ensure alignment between Retail and Delivery Operations, and Logistics and Processing Operations, a thirteenth division will be created. Processing Operations is organized into two regions, each geographically aligned with two retail and delivery areas; and divided into six or seven divisions for a total of 13 divisions.

Logistics is organized into four regions, each geographically aligned to one retail and delivery area; and divided into three or four divisions for a total of 13 divisions. No divisions or regions will span across more than one area.

REDUCTION IN FORCE WITH VOLUNTARY EARLY OUT (VER) OPTIONS

As a part of reduction-in-force (RIF) activities, USPS is offering a Voluntary Early Retirement (VER) option to most eligible, non-bargaining employees at Headquarters, and Area and District offices. This VER offer will not be incentivized.

The VER offering is intended to provide an option for USPS employees to consider as the Postal Service moves through the consolidation and organizational restructuring. The key dates for this offering are:

- VER Mailings – March 2 2021
- VER acceptability/Irrevocability Deadline- April 6, 2021
- VER Effective date – April 30, 2021

Staffing changes are targeted for May 2021

Domestic Mail – What To Know – Reorganization Changes Targeted For May 2021

Delivery & Retail

ATLANTIC AREA

CONNECTICUT	060-069
DELAWARE, PENNSYLVANIA-2	180-199
MASSACHUSETTS, RHODE ISLAND	010-029
MARYLAND	200, 202-212, 214-219
MAINE NEW HAMPSHIRE VERMONT	030-059
NEW JERSEY	070-089
NEW YORK 1	100-104, 112
NEW YORK 2	110, 111, 113-119
NEW YORK 3	105-109, 120-149
NORTH CAROLINA	270-289
PENNSYLVANIA 1	150-179
VIRGINIA	201, 220-246

CENTRAL AREA

IOWA, NEBRASKA, SOUTH DAKOTA	500-516, 520-528, 570-577, 680-681, 683-693
ILLINOIS 1	600-603, 606-608, 610-611
ILLINOIS 2	604-605, 609, 612-620, 622-629
INDIANA	460-479
KANSAS, MISSOURI	630-631, 633-641, 644-648, 650-658, 660-662, 664-679
KENTUCKY, WEST VIRGINIA	247-268, 400-418, 420-427
MICHIGAN 1	480-485, 492
MICHIGAN 2	486-491, 493-499
MINNESOTA, NORTH DAKOTA	550-551, 553-567, 580-588
OHIO 1	434-436, 439-449, 458
OHIO 2	430-433, 437-438, 450-457
WISCONSIN	530-532, 534-535, 537-549

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SOUTHERN AREA

ALABAMA, MISSISSIPPI	350-352, 354-369, 386-397
ARKANSAS, OKLAHOMA	716-731, 733-741, 743-749
FLORIDA 1	320-327, 344
FLORIDA 2	328=329, 335-339, 341-342, 346-347
FLORIDA 3	330-334. 349
GEORGIA	300-319, 398
LOUISIANA	700-701, 703-708, 710-714
PUERTO RICO	006-009
SOUTH CAROLINA	290-299
TENNESSEE	370-374, 376-385
TEXAS 1	750-764, 766-767
TEXAS 2	770, 772-779, 783-785
TEXAS 3	765, 768, 780-782, 786-799

WESTPAC (WESTERN, PACIFIC)

ALASKA	995-999
ARIZONA, NEW MEXICO	850-853, 855-857, 859, 860, 863-865, 870, 871, 873-875, 877-884
CALIFORNIA 1	940-944, 949, 954-961
CALIFORNIA 2	945-948, 950-952
CALIFORNIA 3	913-916, 930-937, 939, 953
CALIFORNIA 4	910-912, 917, 918, 926-928
CALIFORNIA 5	900-908
CALIFORNIA 6	919-925
COLORADO, WYOMING	800-816, 920-831
HAWAII	967-969
IDAHO, MONTANA, OREGON	590-599, 832-838, 970-979
NEVADA, UTAH	840-841, 843-847, 890-891, 893-895, 897-898
WASHINGTON	980-986, 988-994

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Eastern Processing – Southern Logistics

DIVISIONS

**SOUTHEAST
GULF ATLANTIC**

**GEORGIA, TENNESSEE, SOUTH CAROLINA
ALABAMA, FLORIDA, MISSISSIPPI, PUERTO
RICO**

SOUTHWEST

ARKANSAS, LOUISIANA, OKLAHOMA, TEXAS

Eastern Processing – Atlantic Logistics

DIVISIONS

NEW ENGLAND

**CONNECTICUT, MASSACHUSETTS, MAINE, NEW
HAMPSHIRE, RHODE ISLAND, VERMONT,
UPSTATE NEW YORK**

**NEW YORK METRO
CHESAPEAKE
SOUTH ATLANTIC**

**FIVE BOROUGHES, NEW JERSEY
DELAWARE, MARYLAND, PENNSYLVANIA
NORTH CAROLINA, VIRGINIA**

Western Processing – Central Logistics

DIVISIONS

**LAKESHORES
WESTSHORES
MIDWEST**

**KENTUCKY, MICHIGAN, OHIO, WEST VIRGINIA
INDIANA, ILLINOIS, WISCONSIN
IOWA, KANSAS, MINNESOTA, MISSOURI, NORTH
DAKOTA, NEBRASKA, SOUTH DAKOTA**

Western Processing – WestPac Logistics

DIVISIONS

WESTERN

**ARIZONA, COLORADO, NEW MEXICO, NEVADA
UTAH, WYOMING**

PACIFIC NORTHWEST

**ALASKA, IDAHO, MONTANA, OREGON,
WASHINGTON, NORTHERN CALIFORNIA**

SOUTHERN CALIFORNIA

HAWAII, SOUTHERN CALIFORNIA

From The Desk Of Eddie Mayhew – Lots Of Juggling

Last month I commented that 2021 will be a busy year. It looks like that may have been an understatement. We knew postal reform was going to be big, and we knew that filling vacancies on the Board of Governors was going to be big. As predicted a vigorous postal reform package is being prepared for Congress with support from the postal hierarchy and the unions, and all vacancies on the Board of Governors was under have nominees to be considered.

The big surprise was that a huge reorganization would be presented, including an early-out option for qualified non-bargaining employees. It may be coming at a bad time, but there probably is never a good time for a reduction in workforce to happen.

The changes reduce the number of postal districts from 67 to 50, aligning with the border lines of states to the best degree it can. Because not all states have a similar concentration of people, and some are huge in physical size, downsizing results in multiple states clustered in some areas, and some states with more than one district in this plan. For example, several New England states are represented by only one combined District, while California has six districts by itself. In the Logistics and Processing breakdowns, Long Island in New York State was left out and is either in Upstate New York or the Five Borough/New Jersey District. This was likely an omission made in hurriedly preparing slides for presentation by USPS.

The other development is the reduction in force through the Voluntary Early Retirement program. No incentive is being offered to retire early, and we don't know if early-out penalties are waived, and/or if there is an alternative is relocation or removal based on job elimination. This will be discussed by USPS at presentations.

With COVID-19 still hitting USPS with a significant number of employees on leave it may not be the best time to do a workforce reduction. We also don't know what industry stakeholders are saying about this. These could be problems and we don't yet know that outcome..

To say the least, the next few months will have quite a bit of drama while these scenarios play out so stay tuned for further changes and other information as it becomes known.

Vaccines are making a difference but the pandemic is far from over yet. Stay safe and do the right thing so I can definitely say "See you soon!"