

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

The amended bill provides \$117,864,000 for payment to the Postal Service Fund as proposed by the Senate, instead of \$88,864,000 as proposed by the House. Of the total amount provided, \$88,864,000 is provided as an advance appropriation for free mail for the blind and overseas voters to be available on October 1, 2008. The agreement also includes \$29,000,000 for repayment for revenue forgone.

The Appropriations Committees are concerned about the findings of a Government Accountability Office (GAO) report released in June 2007, as well as GAO testimony before Congress in July 2007, that raise serious questions about the United States Postal Service's mail realignment efforts. The GAO noted its concerns relating to several issues, including "USPS's unclear criteria for selecting facilities and deciding on [area mail processing (AMP)] consolidations, the use of inconsistent data calculations, limited measures of the effect of changes on delivery performance, and a lack of appropriate stakeholder and public input when considering potential AMP consolidations." The Committees question the efficacy of proceeding with AMP consolidations if decisions are being made with inadequate data analysis and stakeholder input, and also if it is unclear whether such consolidations will adversely affect timely mail delivery. The Committees are particularly concerned about AMP consolidations in Sioux City, Iowa; Aberdeen, South Dakota; Bronx, New York; Pasadena, California; Canton, Ohio; and Detroit/Flint, Michigan. The Committees understand that the Postal Service will be providing updated AMP guidance on communications with the public in March 2008, as well as a Facilities Plan (as required by the Postal Accountability and Enhancement Act) in June 2008. GAO is directed to evaluate these reports to determine whether the Postal Service has implemented GAO's recommendations to strengthen planning and accountability in realignment efforts. GAO ~~is~~ further directed to report its findings to the Committees on Appropriations. The Postal Service is directed not to implement the above-referenced AMP consolidations until after the GAO has reported to the Committees and the Committees have had an opportunity to review the GAO findings.

The Appropriations Committees are also aware of concerns regarding a possible AMP consolidation relating to Alexandria, Louisiana. The Committees understand that there is currently no consolidation planned for Alexandria, and the Committees would oppose any effort to initiate a consolidation.

The Appropriations Committees are concerned about the condition of postal facilities in a number of municipalities in Puerto Rico, including Dorado, Guaynabo, Rincon, San German, Villalba, Yabucoa, and Yauco. The Postal Service, working with local officials and community leaders, should evaluate the needs of these communities and include these facilities in its nationwide priority list to ensure that capital resources are focused on the maintenance and enhancement of existing infrastructure at these facilities. The Postal Service is directed to report on these efforts to the Committees on Appropriations.

The Appropriations Committees are also concerned about the postal facility needs of the City of Indio, California. The current facility is inadequate to meet the City's needs given its rapid population growth. The Postal Service should work with City officials to evaluate the need for a new facility and report its findings to the Committees on Appropriations.

The Appropriations Committees are concerned about mail service delays in Chicago, Illinois. The Postal Service is directed to continue working with city officials and implement management reforms that will secure and maintain a high level of mail delivery service for postal consumers in Chicago. The Postal Service is also directed to regularly update the Committees on Appropriations on these efforts.

#### UNITED STATES TAX COURT

#### SALARIES AND EXPENSES

The amended bill includes \$45,326,000 for the United States Tax Court as proposed by the Senate, instead of \$45,069,000 as proposed by the House.