



Postal Reform Legislation in the 117th Congress: Operational Transparency and Performance Provisions

June 2, 2021

Postal reform has been a subject of [sustained congressional interest](#) for many years. In the 117th Congress, bipartisan legislation—the Postal Service Reform Act of 2021 (PSRA)—was introduced during May 2021 in the House and the Senate with very similar contents (H.R. 3076, introduced May 11, 2021, and S. 1720, introduced May 19, 2021; draft Senate bill language posted [online](#)). Each version of the legislation includes a number of potential alterations to the authority and operations of the U.S. Postal Service (USPS) and the Postal Regulatory Commission (PRC).

Among [many other topics](#), the legislation addresses the [financial condition of USPS](#) and postal worker retirees' health care. This Insight focuses on two provisions in the proposed PSRA relating to USPS operational transparency and performance (Sections 201 and 207). After briefly outlining the provisions, the Insight provides selected background information relating to the existing statutory landscape of related laws and administratively driven developments.

Postal Reform Legislation

On May 19, 2021, the majority and minority of the House Committee on Oversight and Reform explained and supported new legislation in jointly issued press releases. Chairwoman Carolyn B. Maloney [said the legislation](#) is intended “to help the Postal Service get on a sustainable financial path for the future and ensure that the Postal Service is transparent with Congress and the American people,” while Ranking Member James Comer [characterized the measure](#) as “placing the Postal Service on the path towards fiscal sustainability and long-term viability.” On the same day, the majority and minority of the Senate Homeland Security and Governmental Affairs Committee made similar statements. Chairman Gary Peters [said the proposed legislation](#) “would help put the Postal Service on a sustainable financial footing, ensure it is more transparent and accountable to the American people, and support hardworking postal workers,” and Ranking Member Rob Portman [also emphasized](#) USPS’s finances and that the legislation would help “ensure self-sustaining, high-quality postal service.”

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On May 13, 2021, H.R. 3076 was the subject of a [committee business meeting](#) and ordered to be reported in the nature of a substitute (amended) by voice vote. Neither the House committee version nor the Senate-introduced bill has been posted on Congress.gov as of the date of this Insight. Accordingly, the introduced version from the House serves as the focus for discussion here.

Among other subjects, the proposed PSRA includes two significant provisions relating to USPS operational transparency and performance:

- “performance targets and transparency” ([Section 201](#)), and
- “reporting requirements” ([Section 207](#)).

Section 201 would require USPS to establish and report on targets and actual performance in USPS’s efforts to meet service standards for market-dominant products. The information would be included in already existing periodic reports. In addition, the information would be posted on a publicly available, searchable website and updated on a weekly basis. USPS would be required to meet many requirements in establishing this “public performance dashboard” and to consult with both the PRC and the public in the website’s design.

Section 207 would establish additional reporting requirements for USPS regarding its operations and financial condition, to be provided every six months to the President, the PRC, and USPS’s congressional authorizing committees. It appears that the intent of the bill’s drafters is to have these semiannual reporting requirements expire after five years. Among other things, the legislation would require information to be provided regarding mail and package volume, the effects of pricing changes, certain USPS programs and services, the postal workforce, investments in equipment and infrastructure, and progress in meeting targets.

Background: Statutory and Administrative Context

With regard to USPS operational transparency and performance, a few topics may be highlighted to help provide context. Notably, the proposed PSRA arrives in the wake of past postal reform measures such as the [Postal Accountability and Enhancement Act of 2006 \(PAEA\)](#). In addition, the PSRA may be viewed in context with other statutes and administrative developments.

As a threshold matter, the PAEA established [significant requirements](#) for USPS to report on its finances, risks, and operations. Specifically, Title 39, [Section 3654 of the United States Code](#) requires USPS to file with the PRC [an annual report](#) containing the information required for the Securities and Exchange Commission’s [Form 10-K](#), a requirement that otherwise applies to most U.S. public companies. USPS’s 10-K includes some information about how USPS assesses performance.

In addition, the [Government Performance and Results Act of 1993](#) included and [codified USPS-specific provisions](#) that require USPS to develop a [five-year strategic plan](#), an annual performance plan, and an annual performance report. In practice, USPS combines the annual documents [under one cover](#). These publications are required to include information about USPS’s goals, performance measures, and program evaluations, albeit as an annual or multiyear snapshot in time.

In potential support of these efforts and ongoing operations, the PAEA [required USPS to establish service standards](#). For first-class mail, USPS [provides some information online](#) about service standards. USPS may also use administrative discretion to [change its strategies](#), including the recent archiving of its [FY2020-FY2024 Five-Year Strategic Plan](#) and [replacement in March 2021](#) with a [new 10-year plan](#).

Looking ahead, Congress may conduct oversight of these information sources and their implications for USPS operations. In addition to considering the status quo, Congress may use such sources in considering whether to alter undesired strategies through legislative means in order to better accomplish Congress’s

objectives for USPS. Congress might also assess trade-offs—including among service timeliness, frequency, and cost—and the potential for perverse incentives. If the proposed PSRA were enacted in some form, the transparency and performance provisions would constitute additions to a mosaic of information that is available to Congress, USPS’s stakeholders, and the public. Congress may evaluate the extent to which the proposed PSRA provisions—or other policy options—would prove to be more helpful in this regard.

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