April 29, 2020

The Honorable Steven Mnuchin  
United States Secretary of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Mnuchin:

I write to urge you to release loan funds for the United States Postal Service (USPS)—funds that were authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. In that legislation—which the Senate passed 96-0 and President Trump signed—Congress made up to $10 billion in loans available to the USPS, so that it can continue operations during the COVID-19 crisis.

The USPS operates almost entirely (99 percent) without the support of taxpayer dollars, funded by stamps and postage supplies and package delivery costs; in short, it’s a business operation that serves a number of government priorities. Just like the armed forces or the courts help to protect us and to resolve disputes, the postal service help us communicate and conduct commerce. Like the courts and armed forces, the postal service is also constitutionally grounded. Our Founders recognized the importance of strong government support for commercial and personal communication and shipping networks.

Whole ecosystems have evolved around the USPS’s competitive services and universal service guarantees. The USPS is a vital lifeline to states like mine that have significant rural areas as well as a relatively older population. For example, many people in Maine’s cities, towns, and rural areas receive their long-term prescriptions through the mail. This helps to save single-purpose trips to pharmacies, which we might all want to avoid in this time of COVID-19. In addition, health insurance companies often use the relatively inexpensive rates of the USPS to send 90-day supplies (rather than 30-day supplies available at pharmacies), saving time and money for insurers, providers, and patients. In addition, the USPS’s “universal service” requirement means that even if a Maine person lives far from town, they can still get their essential medications.

Moreover, Maine small businesses often depend on the USPS to keep the costs of doing business down. Even through these past six difficult weeks, bookshops, kitchen shops, shoe stores, and toy and game stores have been able to offset some of the effects of shelter-in-place orders, using the USPS’s flat rate shipping options to serve their customers, preserve their cash flows, and protect their employees from unemployment.
USPS also provides solid, honorable employment to more than 3,300 women and men in Maine, enabling them and their families to be productive, well-regarded members of their communities, all while providing essential services for their neighbors.

USPS certainly suffers from problems related to long-term unpaid debts—but those challenges are structural and largely due to poor institutional changes made a decade and a half ago and which can only be resolved by wholesale postal reform. We must fix the inherent challenges USPS faces, but we must first ensure that the postal service remains alive and operational. To ensure that CARES Act funding focused on the here and now, Congress specifically directed that resources authorized may not be used to pay any outstanding debts that the USPS currently has; the $10 billion additionally requires that the USPS prioritize delivery of medicine and medical products and the safety of its employees and customers.

The people of Maine—and America—need the United States Postal Service for their jobs, businesses, and even their health. Do not deprive the people of their continued economic and bodily health by depriving the USPS of the credit it needs to operate.

Sincerely,

[Signature]

ANGUS S. KING, JR.
United States Senator