



Legislation Text

File #: Res 2141-2009, Version: *

Res. No. 2141

Resolution calling upon the United States Congress to pass H.R. 22, the “United States Postal Service Financial Relief Act of 2009,” which would amend chapter 89 of title 5, United States Code, to allow the United States Postal Service to pay its share of contributions for annuitants' health benefits out of the Postal Service Retiree Health Benefits Fund.

By Council Members Avella, Barron, Gentile and James

Whereas, H.R. 22, introduced in the United States House of Representatives and sponsored by Congressman John M. McHugh, referred to as the “United States Postal Service Financial Relief Act of 2009,” would amend chapter 89 of title 5, United States Code, to allow the United States Postal Service to pay its share of contributions for annuitants' health benefits out of the Postal Service Retiree Health Benefits Fund; and

Whereas, The United States Postal Service Financial Relief Act of 2009 would require that government contributions for health benefits for an individual who first becomes an annuitant by reason of retirement from employment with the United States Postal Service on or after July 1, 1971, or for a survivor of such an individual or of an individual who died on or after that date while employed by the Postal Service, be paid first from the Postal Service Retiree Health Benefits Fund up to the amount contained in the Fund, with any remaining amount paid by the Postal Service; and

Whereas, The current law requires the Postal Service to pre-fund 80 percent of future retiree health benefit costs to be paid by the Postal Service through September 30, 2016; and

Whereas, According to the American Postal Workers Union (APWU), such contributions costs the Postal Service more than \$5.5 billion annually in addition to the \$3 million it pays annually for current retirees; and

Whereas, The money in the Retiree Health Benefits Fund is Postal Service money that was the result of

overpayments into the Civil Service Retirement System; and

Whereas, Rather than refund the overpayments to the USPS, the Bush administration required that the money be placed into an escrow account, which currently holds more than \$32 billion; and

Whereas, If passed, the United States Postal Service Financial Relief Act of 2009 would save the Postal Service approximately \$3.5 billion per year from its operating budget; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to pass H.R. 22, the “United States Postal Service Financial Relief Act of 2009,” which would amend chapter 89 of title 5, United States Code, to allow the United States Postal Service to pay its share of contributions for annuitants' health benefits out of the Postal Service Retiree Health Benefits Fund.

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