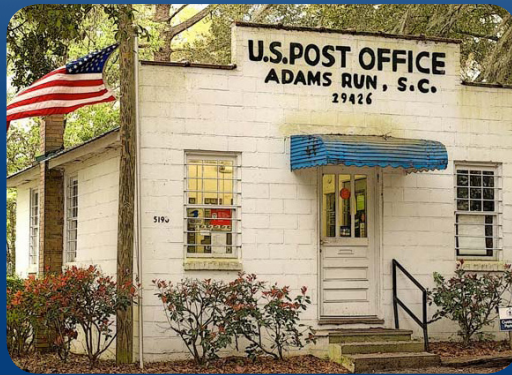




# How Americans Would Fix the U.S. Postal Service



**A survey of the Citizen Cabinet, Nationally  
and in Maryland, Oklahoma and Virginia**

**Conducted by the Program for Public Consultation,  
School of Public Policy, University of Maryland**

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Research Staff: Clay Ramsay, Evan Lewis, Eric Pierce and Antje Williams

November 2015



## HOW THE STUDY WAS CONDUCTED

Citizen Cabinet surveys are unique in that they take respondents through a process called a ‘policymaking simulation’ which seeks to simulate the process that policymakers go through in making a policy decision. Respondents receive a briefing on the issue, are presented current policy options, evaluate arguments for and against the various policy options and finally make their recommendations on what action should be taken.

### Development of the Policymaking Simulation

The focus of this policymaking simulation is a series of reform options for the U.S. Postal Service, including ones that would mitigate or end the prefunding requirement for retiree benefits, increase revenues, or reduce operating costs. These options were based on proposals from the Postmaster General, the Inspector General, and bills under consideration in the Senate and House.

The initial drafts of arguments for and against these reform options were derived from House and Senate floor speeches, and published statements from the full spectrum of agencies, organizations, and experts engaged in these issues.

The initial draft of the policymaking simulation was then revised based on vetting with staffers of both parties for the House Committee on Oversight and Government Reform and the Senate Homeland Security and Governmental Affairs Committee. Also consulted were senior personnel in the Postmaster General’s office, the USPS Inspector General’s office, and the GAO. Outside government and its agencies, experts from the National Association of Letter Carriers and the Tax Foundation were consulted as well. The aim of the vetting was to ensure that the briefings were accurate and fair, and that the arguments presented were the strongest ones being made and did not contain any false or misleading assertions.

### The Citizen Cabinet Panel

The Citizen Cabinet panel was recruited from a

probability-based sample of registered voters. A total of 2,256 panelists completed the survey. A total of 1,582 panelists were recruited from Nielsen Scarborough’s larger national panel, which was recruited by mail and telephone using a random sample of households provided by Survey Sampling International.

An additional 674 panelists were recruited by the Program for Public Consultation by mail and telephone, using a random sample of households with registered voters provided by Survey Sampling International. Telephoning and mailing were conducted by the research firm Communications for Research and additionally for Virginia by the Center for Survey Research at the University of Virginia and for Oklahoma by the Public Opinion Learning Laboratory at the University of Oklahoma.

The **National panel** consisted of 714 registered voters drawn from a national sample, plus the additional 1,542 panelists from specific states down-weighted according to the population of the states relative to the nation. The margin of error is +/- 3.7 percent.

The **Virginia panel** consisted of 505 registered voters. The margin of error is plus or minus 4.4 percent.

The **Maryland panel** consisted of 550 registered voters, including a statewide sample of 432, plus an oversample in the 7th Congressional District to bring the total for that district up to 174. The margin of error for the state was plus or minus 4.7% and for MD-7 was plus or minus 7.5%.

The **Oklahoma panel** consisted of 535 registered voters including a statewide sample of 443, plus an oversample in the 4th Congressional District to bring the total for that district up to 181. The margin of error for the state was plus or minus 4.7% and for OK-4 was plus or minus 7.4%.

### Fielding

The survey was fielded July 2 - August 12, 2015.



## OVERVIEW

The U.S. Postal Service (USPS) has been under continuous financial pressure since 2008. Funded exclusively by selling its products and services, it has suffered from a decline in its first-class mail business—in great part from the economic downturn, but also from the rise of electronic mail, especially for billing.

During this period USPS has reduced its workforce considerably, streamlined operations for greater efficiency, and increased its package deliveries. But it has still been unable to make the payments set by Congress to prefund its future retiree health care benefits. Thus, even with an operating profit, it remains seriously in the red.

Congress has attempted several times in the last few years to address the Postal Service's issues comprehensively. A major bill (S. 1789) passed the Senate in 2012, but got no further.

Legislators continued to struggle with the problem at the time of this survey. A new bill (S. 2051), introduced in September 2015, seeks to address a host of long-standing postal issues including:

- The requirement for prefunding of future retiree health benefits
- Whether the Postal Service should be allowed to start up new lines of business, offering non-postal services and products
- The role of the universal service obligation in the future
- The economic issue of post offices, some of them in far-flung rural locations, that are not self-sustaining
- Conversion of door delivery to less costly curbside or cluster box delivery
- The arbitration of labor disputes

To give the American public a meaningful way to weigh in on these issues Voice of the People has undertaken a Citizen Cabinet survey, conducted by the Program for Public Consultation at the School of Public Policy, University of Maryland.

Citizen Cabinet surveys seek to go beyond initial reactions so that citizens can make meaningful

recommendations on these issues. Respondents go through a 'policymaking simulation' that gives respondents a background briefing, present arguments for and against policy options, and then asks the respondent to go into a problem-solving mode.

Another unique feature is that the content is fully vetted for accuracy and balance with appropriate Congressional staffers from both parties who work on the issue as well as other relevant experts and organizations.

In the survey, respondents first went through a briefing about the U.S. Postal Service, which included its financial situation from 2008 to today, steps USPS has already taken, and the nature of its difficulty with prefunding future retiree health benefits.

They were then presented a series of reform options based on proposals from the Postmaster General, the Inspector General, and bills under consideration in the Senate and House. After each reform option was explained, respondents then:

- evaluated arguments for and against each reform option separately in terms of how convincing they found it; and
- evaluated each option separately in terms of how tolerable it would be.

Finally, respondents were re-presented all the reform options in one spreadsheet, and they made their own comprehensive set of final recommendations.

## SUMMARY OF RECOMMENDATIONS

### **Relaxing Requirement to Prefund Health Benefits**

*An overwhelming majority recommended relaxing the requirement to prefund health benefits. This included nearly half who favored reducing the prefunding level from covering 100 percent of benefits to covering 80 percent, and one-third who favored ending the requirement entirely.*

### **Offering a Wider Range of Products and Services**

*Support was very strong for allowing the USPS to offer a wider range of products and services. Presented ten*



*specific options, nine of them were endorsed by majorities, in every case a bipartisan one.*

*Large majorities endorsed new services to be provided in post offices (provide photocopying, provide Internet access), and over the Internet (expand money transfer services, provide a highly secure email system). A large majority also approved providing consulting services to countries modernizing their postal services.*

*Varying majorities supported greater freedom in how the USPS uses its real estate. A very large majority approved renting excess space to local governments. More modest majorities endorsed renting space to private companies and selling ad space in post offices and on USPS trucks. The one option not endorsed was to offer small-scale individual savings accounts, which was recommended by only one in three.*

#### **Relaxing the Universal Service Obligation**

*Just under half find the idea of relaxing the universal service obligation acceptable, but two-thirds say they would find it at least 'just tolerable.'*

#### **Closing Post Offices**

*Only about one in three endorsed the Postal Service's plan to close most unprofitable post offices, which would close 3,653 locations, almost 12% of all post offices. However, two-thirds would endorse closing as many as 5% of post offices.*

#### **Eliminating Saturday Letter Delivery**

*Majorities of about two in three recommended eliminating letter delivery for Saturday, but keeping delivery of packages and priority mail.*

#### **Reducing Door Delivery**

*One idea for cutting costs not recommended by a majority is to require that most door-delivery mail boxes be converted to curbside or cluster boxes.*

#### **Labor Dispute Arbitration**

*Large majorities recommend requiring that, in the event of labor disputes, arbitrators would always take into account the Postal Service's long-term financial stability, rather than, as now, allowing the arbitrator to independently decide whether to do so.*

## **BRIEFING**

In the initial briefing, respondents learned that:

- Congress is considering bills to address a number of U.S. Postal Service issues, and that the broadest issue is financial pressure.
- The causes of this financial pressure include a drop in the level of Postal Service business during the economic downturn, and a drop in the volume of some kinds of mail due to the rise of the Internet.
- The U.S. Postal Service's business showed serious losses between 2008 and 2012 and it had to borrow money as a result.
- More recently, there has been some improvement as the economy improved, increasing mailing activity, and the Postal Service made many changes in the way it operates, significantly reducing the size of its workforce and making its operations more efficient, and thus reducing costs.
- Despite these improvements the Postal Service is still not making enough money to meet the requirements that Congress has set for it.
- Numerous options proposed by the Postmaster General and in Congress would make the Postal Service more efficient. But they are controversial because they also require making changes that could reduce the level of service to customers.
- Finally, another option is to reduce a requirement that Congress has placed on the Postal Service to fund its retiree health benefits program well in advance.

Respondents then considered this issue of prefunding health benefits first, because of the significant impact a solution would have on USPS' overall financial picture.



## PREFUNDING HEALTH BENEFITS

### Relaxing Requirement to Prefund Health Benefits

*An overwhelming majority recommended relaxing the requirement to prefund health benefits. This included nearly half who favored reducing the prefunding level from covering 100 percent of benefits to covering 80 percent, and one-third who favored ending the requirement entirely.*

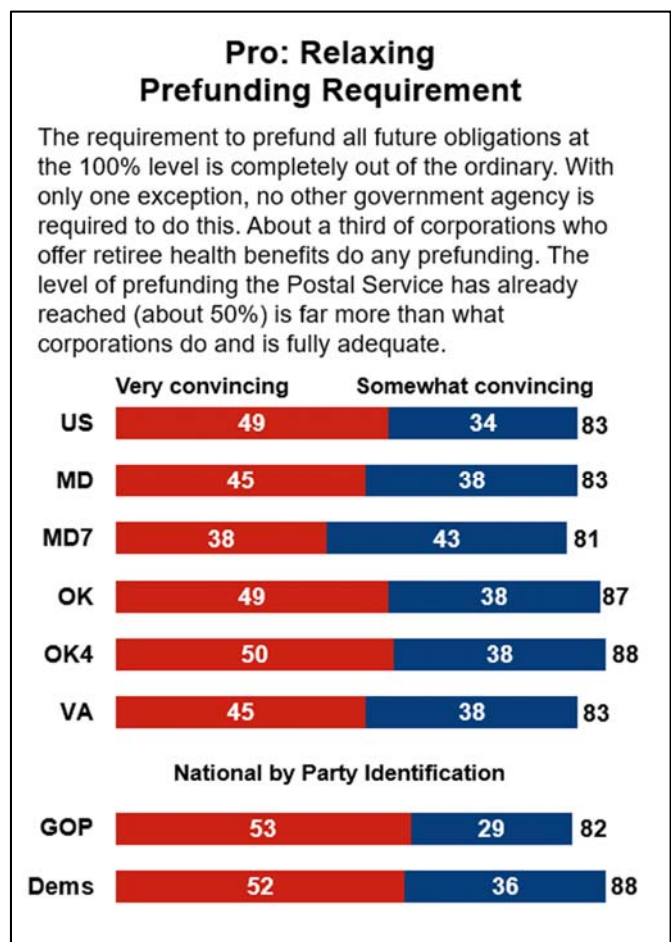
Respondents were briefed on USPS' difficulties in paying in advance for the health benefits of its future retirees, as currently required by law. They were told that:

- For many years the Postal Service paid for the current health insurance costs of employees and people who previously worked for the postal service and are now retired.
- In 2006, Congress made a new requirement that the Postal Service also make payments into a fund to cover 100% of:
  - the projected future health insurance costs of all current retirees; and
  - the projected future health insurance costs of all current workers for when they retire.
- These required payments were, on average, \$5.5 billion per year over ten years.
- For the first few years the Postal Service was able to make these payments so that the fund reached the level of covering approximately 50 percent of those projected future costs.
- However, with the economic downturn and the other financial problems the Postal Service encountered, the Postmaster General said it did not have the funds to keep making these payments.

Respondents then evaluated arguments for and against relaxing this requirement. As shown, more

than eight in ten in all jurisdictions, and among Democrats as well as Republicans, found convincing the argument that this requirement is out of the ordinary and that the current level of prefunding is adequate. Approximately half found it very convincing (see box).

In addition to the argument shown, more than seven in ten in all jurisdictions and parties found convincing the argument that prefunding is siphoning off the Postal Service's investment money, which will only make it less able to meet obligations.



The arguments against relaxing the requirement were considerably less convincing. As shown, approximately two out of three in all categories found convincing the argument that without the prefunding requirement the government and thus the taxpayers might have to bail out the Postal Service (see box).

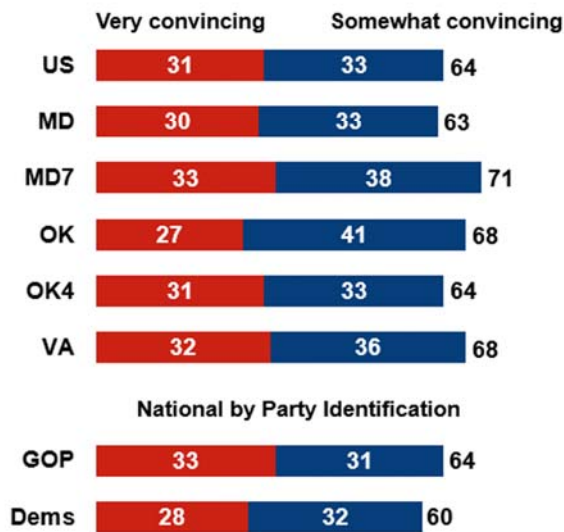
Only relatively modest majorities found convincing another argument that prefunding is the responsible



thing for the Postal Service to do—in effect, to pay for the benefits now—since its future financial condition could grow worse. Party differences were minimal.

### Con: Relaxing Prefunding Requirement

If the Postal Service’s financial condition gets worse and it can’t cover the costs of its retiree health benefits, the government would probably have to step in and bail it out. The Postal Service needs to make sure now that it can take care of its future obligations without throwing the problem into the American taxpayers’ lap.

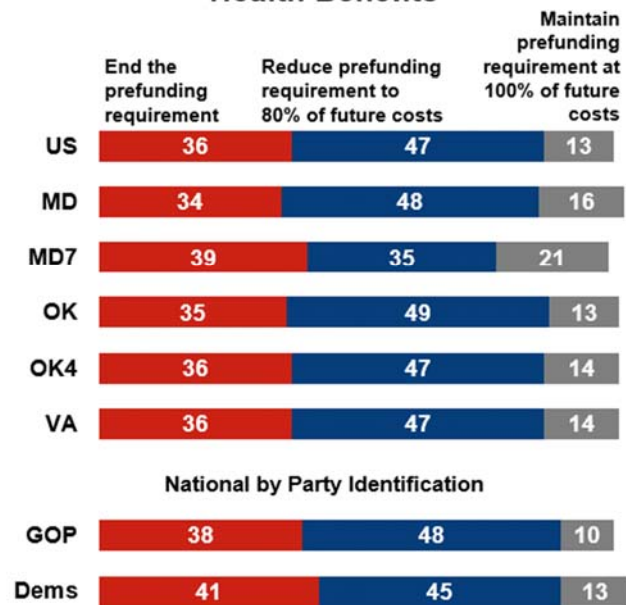


Respondents then assessed two proposals: to end the requirement for further prefunding, while keeping the prefunding paid so far in place; or to reduce the requirement so that only 80 percent, not 100 percent, of future costs would be covered. Roughly, this would reduce the Postal Service’s average annual payment from \$5.5 billion to about \$3.8 billion over the next five years.

Asked how acceptable they would find simply ending the prefunding requirement, nationally, four in five (82%) rated this acceptable (64%) or tolerable (18%). On reducing the prefunding target down to 80 percent of projected costs, attitudes were very similar: a nearly identical 80% called this acceptable (63%) or tolerable (17%). Views were even a bit more favorable to both proposals in the three states. Party differences were minimal.

Finally, at the end, when respondents were asked for their recommendation, an overwhelming majority (83%) recommended relaxing the requirement to prefund future retiree health benefits. Forty-seven percent chose a plan that would reduce the prefunding level from 100 percent down to 80 percent. Another 36% chose to end the requirement altogether. Responses were statistically the same—within the margin of error—in all three states. Interestingly, in all three states Republicans were more likely than Democrats (10-12 points) to select the option of completely eliminating the requirement, but this was not true in the national sample.

### Final Recommendation: Pre-Funding Future Retiree Health Benefits



*“Congress should not manage the Postal Service by requiring “one-size-fits-all” approaches to every business decision. They should allow it to make decisions that are good for both their mission and its finances.*

- Joan C., Maryland



## INCREASING REVENUES

### Offering a Wider Range of Products and Services

**An overwhelming bipartisan majority recommend allowing the USPS to offer a wider range of products and services. Presented ten specific options, nine of them were endorsed by majorities, in every case a bipartisan one.**

**Large majorities endorsed new services to be provided in post offices (provide photocopying, provide Internet access), and over the Internet (expand money transfer services, provide a highly secure email system). A large majority also approved providing consulting services to countries modernizing their postal services.**

**Varying majorities supported greater freedom in how the USPS uses its real estate. A very large majority approved renting excess space to local governments. More modest majorities endorsed renting space to private companies and selling ad space in post offices and on USPS trucks.**

**The one option not endorsed was to offer small-scale individual savings accounts, which was recommended by only one in three.**

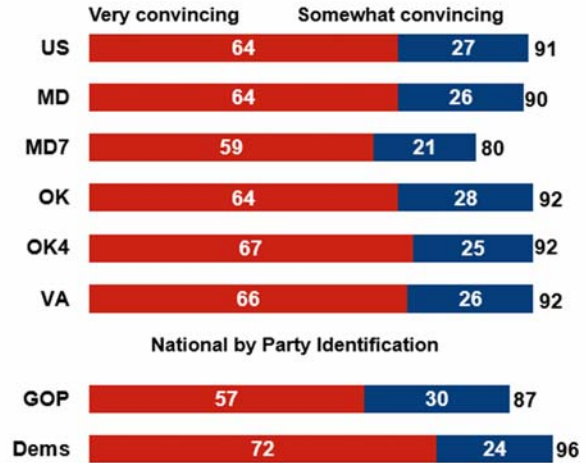
Respondents were briefed on the existing prohibition against the Postal Service growing revenues by offering a wider range of products and services than it does now. They learned that USPS' authority to offer certain extra products in post offices was removed by a 2006 act of Congress.

They were told that "The Postal Service has proposed to offer a number of new, non-postal products and services to increase its revenue. However, Congress must first change the law to accommodate this request." They were then presented arguments for and against this proposal.

The argument in favor of letting USPS offer new products and services was found convincing by an overwhelming majority of nine in ten, nationally and in all three states, including overwhelming majorities of both Republicans and Democrats (see box).

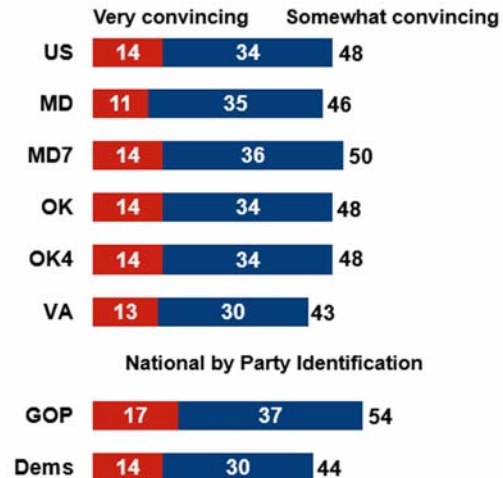
### Pro: Offering Wider Range of Products/Services

Congress does not provide the Postal Service any subsidy, but does expect it to operate successfully as a business. But at the same time it ties the Postal Service's hands by not allowing it to diversify or innovate. Meanwhile, the Postal Service has had serious financial difficulties. Allowing the Postal Service to experiment with offering new products and services could help its bottom line as well as provide things its customers need and want.



### Con: Offering Wider Range of Products/Services

The US is a free market economy. The Postal Service, while independent, is still a government agency with a huge retail network—32,000 post offices and 70,000 other stores where people can buy stamps, mail packages, etc. If the Postal Service uses this leverage to compete, this would be unfair to other businesses in those lines of work. The Postal Service doesn't pay local taxes and gets some breaks from zoning laws. Some small businesses could be driven out of the market.



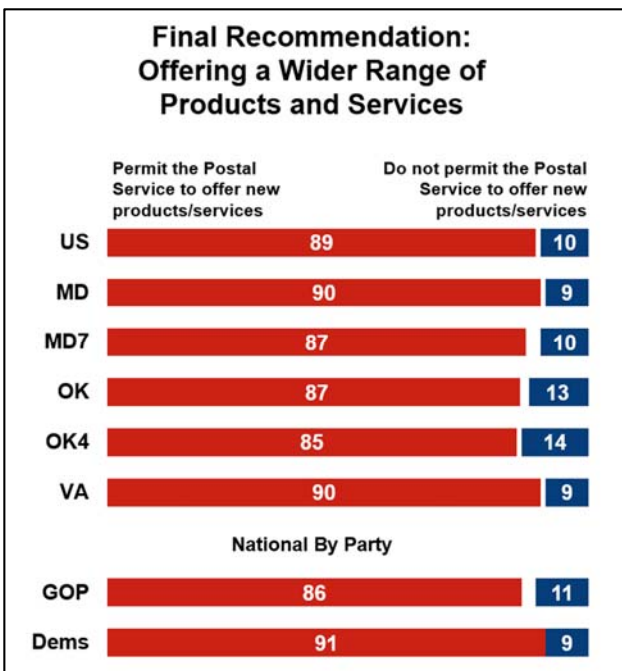
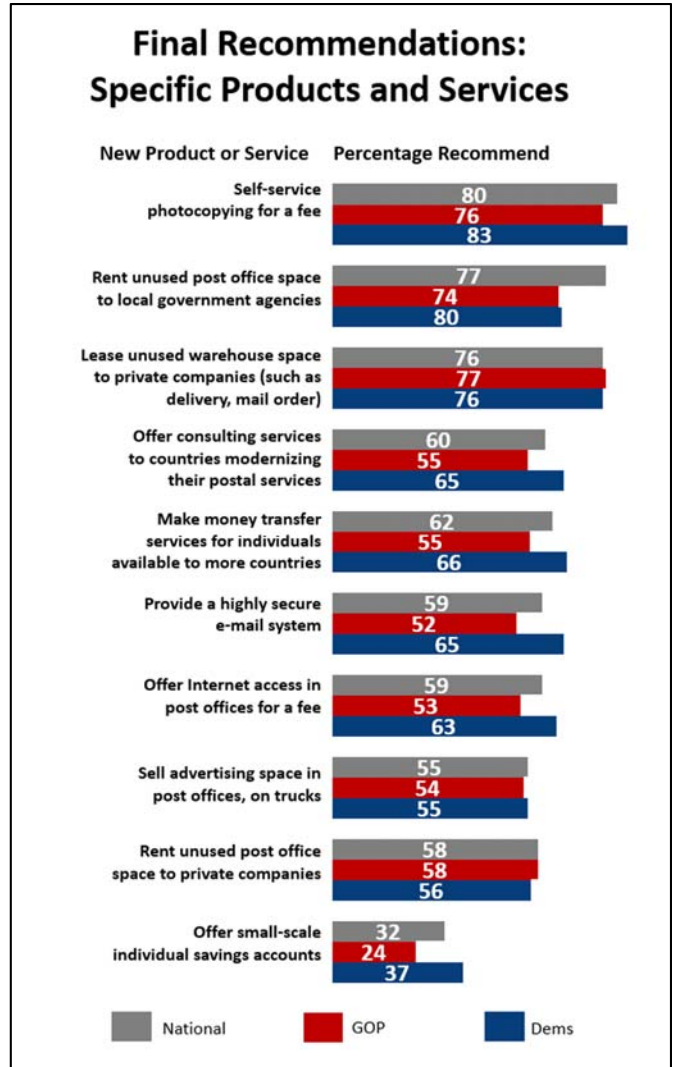


The argument against it was rejected as unconvincing by a modest majority nationally and in all three states. Democrats consistently rejected it by substantial majorities (see box). However, a modest majority of Republicans found it convincing nationally and in Oklahoma and Maryland, but not Virginia.

Respondents were then asked how acceptable they would find each one of ten possible new lines of business. These included new services to be provided in post offices and greater freedom in how the USPS uses its real estate.

Nine out of ten options were welcomed, with majorities finding them not only tolerable but acceptable. However, only half found acceptable the idea of USPS offering small-scale savings accounts to individuals.

In their final recommendations, majorities recommended the Postal Service experimenting with all the possible new products and services shown, except for savings accounts (see box). These majorities in favor ranged from 55% to 80%. Republicans and Democrats were extremely similar, though Republicans and independents tended to be a bit lower in their support on some options. There were minimal differences by state.







## Raising Postal Rates

**A six-in-ten majority recommended allowing postal rates to rise faster than inflation if warranted by increasing costs.**

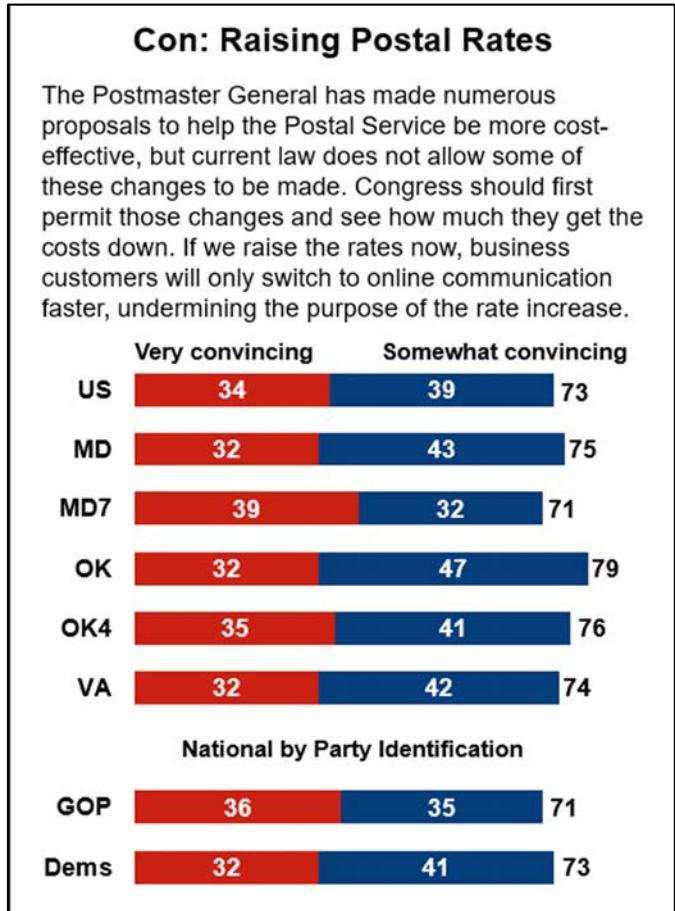
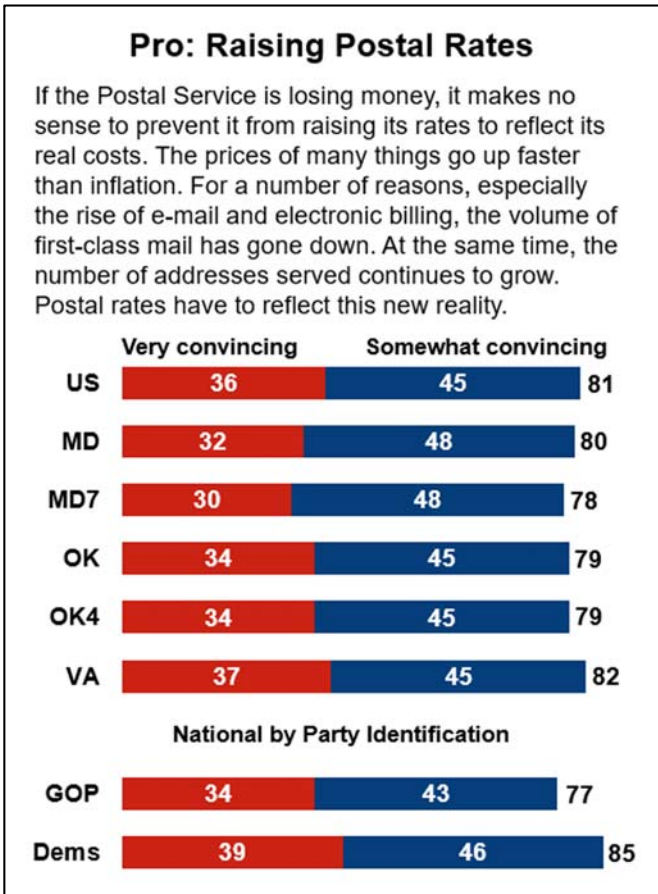
Respondents were briefed on the debate over rules for postal rate increases. They read that, by law, rates on letters, periodicals and commercial mail can rise only at the rate of inflation, and the cost of a first-class stamp has had about the same real-dollar value for decades. Since the Postal Service’s costs have been rising faster than inflation, it has asked that this rule be reconsidered. Respondents also learned that the Postal Regulatory Commission would have to approve each rate increase even if other rules changed.

The arguments in favor of allowing postal rates to go up faster than inflation did quite well. As shown (see box) the argument that the postal rates needs to reflect the new reality created by lower first class mail volume engendered by the Internet, was found convincing by 8 in 10.

In addition, another pro argument – that the Postal Service would have to be subsidized by taxpayer money if it was not allowed to cover its costs – was found convincing by seven in ten. Responses showed little variance by state or party affiliation.

One of the con arguments was found convincing by approximately three in four—that Congress should first allow the Postal Service to try some other new approaches (see box).

However, an additional con argument that letting rates rise faster than inflation would hinder business planning and hurt the economy got a divided response, with half finding it convincing and half unconvincing. Responses showed little variance by state or party affiliation.



*“I think the postal service should keep up with technology. Reduce costs by adding new services that the public can have access to. This would increase revenues.”*

- Debra D., Virginia

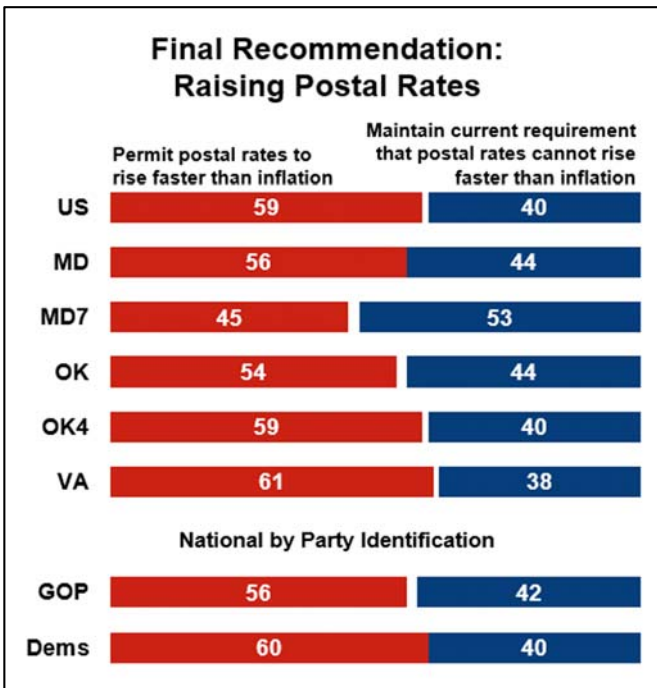


Respondents were then presented a specific proposal, as follows:

The general requirement that rates cannot rise faster than inflation would be phased out over three years. The Postal Service would be allowed to raise a postal rate in step with its costs for that type of mail, even if that would mean rates would rise faster than inflation. The Postal Regulatory Commission would still have to review and approve each rate increase.

For all jurisdictions, eight in ten found it either acceptable (six in ten) or tolerable (two in ten). Democrats were a bit more favorable than Republicans.

In their final recommendations this proposal was selected by 59% nationally. Similarly, it was selected by 61% in Virginia and 59% in OK-4. Support was a bit lower in Oklahoma as a whole (54%), and Maryland (56%); and in MD-7 only 45% chose it, while 53% were opposed.



*“The USPS must be permitted to offer new services and to reinvent itself.”*

- Paul G., Maryland

### RELAXING THE UNIVERSAL SERVICE OBLIGATION

*Just under half find the idea of relaxing the universal service obligation acceptable, but two-thirds say they would find it at least ‘just tolerable.’*

So that respondents understood the broader context behind much Postal Service decision-making, they were briefed on the universal service obligation. It was explained this way:

Current law says that the postal service has an “obligation...to bind the nation together.” It sets the requirement that “the Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns,” even in areas “where post offices are not self-sustaining.”

As part of this obligation, the Postal Service maintains postal facilities and delivery services in very small and remote communities, though in some cases these are not full post offices but service counters in retail stores. Overall, there are about 102,000 locations in the postal service network.

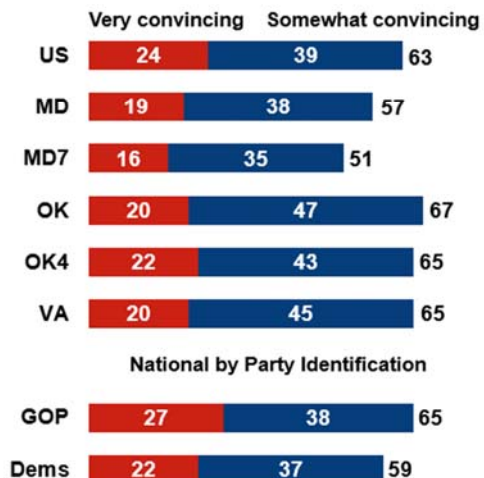
There is a debate about whether the universal service obligation should be loosened so that the Postal Service does not have to provide a maximum level of service in places where it is costly to do so.

They then evaluated a pro and con argument and assessed a general proposition about loosening the universal service obligation. Both arguments were found convincing by majorities, but slightly larger majorities found convincing the argument against relaxing the obligation (68-74%), than found the argument in favor convincing (51-67%).



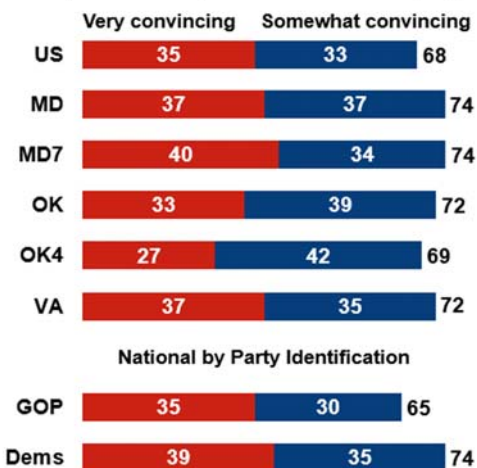
### Pro: Universal Service Obligation

The universal service obligation was important earlier in our history, but the reality is that times have changed. People everywhere may eventually have access to E-mail and most already do. To provide people in the remotest corners of the country not only with postal service, but also with a "maximum" level of service is very costly. Given that they now have other means of communication this requirement should be relaxed somewhat.



### Con: Universal Service Obligation

Universal service is central to the whole idea of having a postal service, rather than having private companies that would change uneven rates and deliver the mail only when it is profitable. Especially in a country of vast size and diversity like the United States, it is fundamental to have a means of communication and shipping that is committed to reaching every corner of the nation, both rural and urban. Keeping universal service adds value to our society and economy and binds the country together.



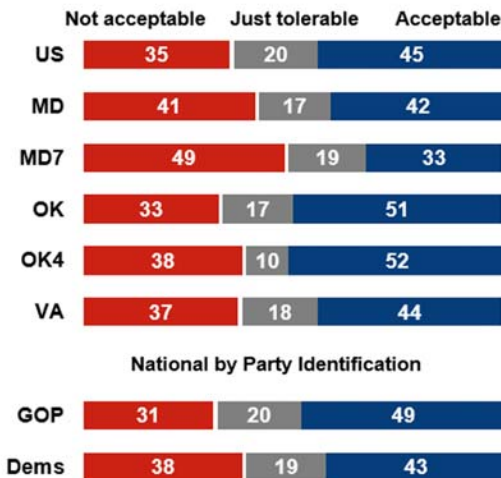
Asked to assess how acceptable it would be for "the Postal Service [to] not always provide a maximum level of service in places where it is costly to do so," nationally 45% found it acceptable, while the other states ranged from 42% in Maryland to 51% in Oklahoma. An additional 20% nationally found it just tolerable, as did 17-18% in the states. Thus, overall two-thirds found the idea at least tolerable.

MD-7, however, stood out. Just 33% found the idea acceptable, and 19% just tolerable, for a total of 51% finding it at least tolerable.

In all cases Republicans were more likely than Democrats to find the idea acceptable, ranging from 6 to 16 points.

### Relaxing the Universal Service Obligation

The Postal Service would not always provide a maximum level of service in places where it is costly to do so.





## REDUCING OPERATING COSTS

### Closing Post Offices

***Only about one in three endorsed the Postal Service's plan to close most unprofitable post offices, which would close 12% of all post offices. However two-thirds would endorse closing as many as 5% of post offices.***

Respondents were told the following:

In 2012, there were 31,272 post offices in the United States. The Postmaster General has identified a list of 3,653 post offices that are losing money—about 12% of the total—and has proposed that the Postal Service should be able to close them without Congressional interference. The Postal Service estimates that doing this would save it \$200 million a year.

Currently there are some in Congress who are opposed to closing these post offices and say that the Postal Service should not be able to make this decision without Congressional involvement.

They were then presented two arguments for and two against closing most or all of the post offices losing money. The arguments in favor did substantially better than the arguments against, though at least one of the arguments against was found convincing by a majority.

The strongest argument in favor was that consumers in rural areas would not be hurt, because post offices could be replaced by service counters in shops and stores—found convincing by overwhelming majorities, approaching nine in ten (see box). The argument that not closing post offices will create serious losses for the Postal Service was found convincing by 8 in 10, and especially by Republicans.

The con arguments did not do as well. A con argument—saying that the universal service obligation would be violated by such changes, since there are many services that a USPS counter in a store cannot offer—was found convincing by 55-64%, with higher majorities among Democrats (see box).

The argument (made by many opponents of closing post offices) that the post office is the hub of many rural communities did relatively poorly, with views nearly evenly divided in all jurisdictions. The exceptions were Democrats nationally and in Oklahoma, and also all respondents in MD-7, where clear majorities (55-57%) found the argument convincing. Clear majorities of Republicans in all jurisdictions (57-61%) found the argument unconvincing.

Respondents were then asked to consider two policy options for how the Postal Service could deal with post offices that are clearly unprofitable:

1. Let the Postal Service close most of the 3,653 post offices (12% of total) that operate at a significant loss.
2. Let the Postal Service close no more than 5% of existing, unprofitable post offices per year.

When asked how acceptable it would be to close 12% of post offices, a large majority rated it as acceptable nationally (62%) and another 15% rated it as just tolerable. The other jurisdictions were very similar, except that the number rating it acceptable was lower in Maryland (56%) and MD-7 (53%). Nationally support was higher among Republicans (67% acceptable) than Democrats (60%), while the lowest number was from independents (56%), with the states following a similar pattern.

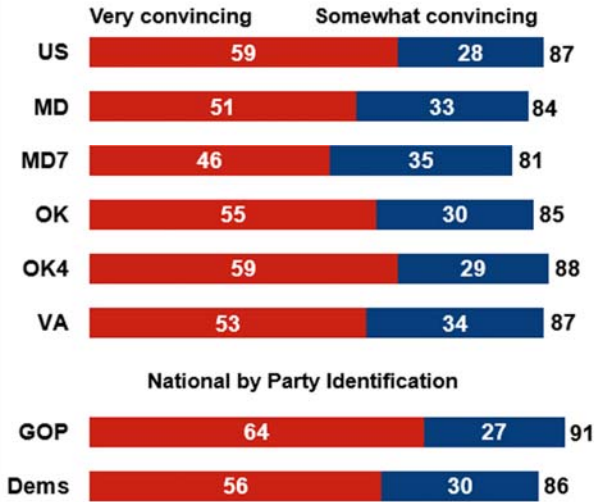
Curiously, allowing the Postal Service to close 5 percent of its unprofitable post offices each year was found acceptable by a smaller number: nationally 52%, with another 23% finding it tolerable. In the states, acceptable numbers ranged from 54 to 60%, with another 19-20% finding it tolerable. This time, though, there was little difference between Republicans and Democrats.

When asked for the final recommendation, respondents were offered the two options (a 12 percent and a 5 percent closing rate), plus a third option to “NOT specify the number of post offices to be closed, but continue to negotiate each closure on a case-by-case basis, with members of Congress possibly being involved.”



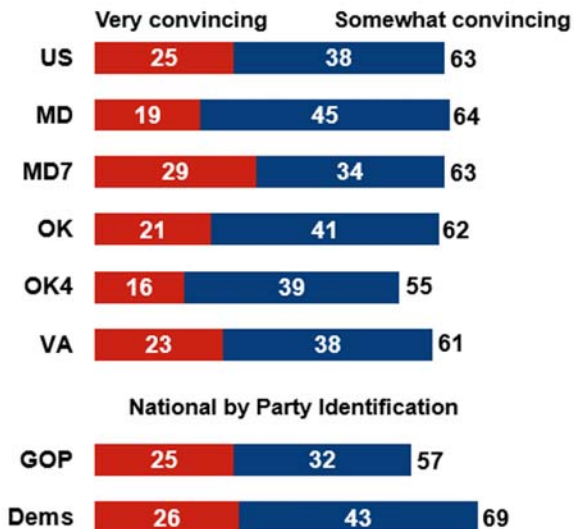
### Pro: Closing Post Offices

Closing post offices could be done without hurting consumers in rural areas, by opening service counters in shops and stores that people go to regularly. Thus, the Postal Service could close money-losing post offices and still be able to meet the universal service obligation.



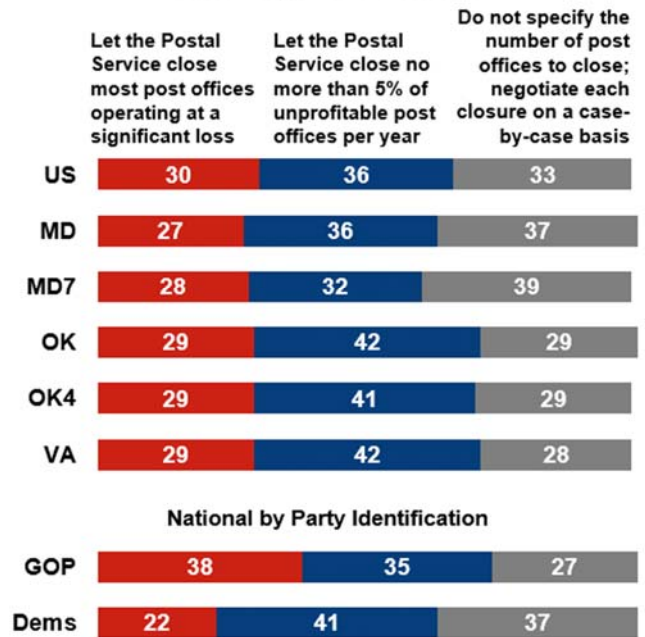
### Con: Closing Post Offices

When post offices are shut down and replaced by service counters, there are still various services these service counters would not provide, such as sending a money order, an odd-shaped package, or a package to another country. Thus, to get those services in rural areas, people would have to travel greater distances to get to a post office. This violates the universal service obligation.



Nationally, two-thirds recommended one or the other plan for reducing unprofitable post offices. However, less than a third (30%) supported the more sweeping 12 percent plan. Over a third (36%) chose letting USPS close no more than 5 percent of the existing, unprofitable post offices each year. The states followed a similar pattern, with support for closings higher in Oklahoma and Virginia, and lower in Maryland and even lower in MD-7 (see box). Interestingly, fewer rejected both plans in rural OK-4 (29%) than in urban MD-7 (39%).

### Final Recommendation: Closing Post Offices



For all jurisdictions, Republicans were 15-19 points higher than Democrats in their support for the 12 percent plan, but there was little difference in the combined numbers for pursuing either the 12 percent or the 5 percent plan.

*“Either permit the postal service to operate as a business without congressional interference or subsidize the cost of decisions that are made on political rather than business considerations.”*

- John P., Maryland



## Eliminating Saturday Letter Delivery

**Majorities of about two in three recommended eliminating letter delivery for Saturday, but keeping delivery of packages and priority mail.**

Respondents were told that:

One option for the Postal Service to reduce its costs is to eliminate delivery of letters and commercial mail on Saturdays. Packages would still be delivered and Post Offices would still be open on Saturdays.

Across all geographic and partisan categories large majorities, in most cases about 8 in 10, found convincing the pro argument that the Postal Service needs to be allowed to act like a business and make such choices as it sees fit. This was also the case in the more rural states of Oklahoma and Virginia, as well as the very rural OK-4 district (see box). Similar high numbers found convincing a pro argument that the rise of email means people send fewer letters but more packages, so changing Saturday delivery to packages only is appropriate.

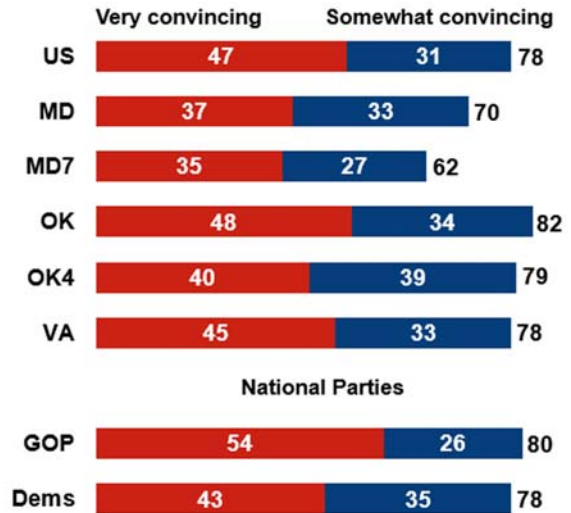
The con arguments were much less convincing (see box). Just 53% nationally and 47-52% in the states found convincing the argument that cutting Saturday delivery would hurt some businesses. Republicans were consistently less convinced than Democrats.

The argument that cutting Saturday delivery would be unfair because it would especially effect rural people, the elderly and low-income Americans did even worse, with just 48% finding this convincing nationally, and 48-52% in the states. Interestingly, in the very rural OK-4 district only 45% found it convincing, while an exceptionally high 63% found it convincing in the urban MD-7 district. In all cases a majority of Democrats found the argument convincing (55-60%), while majorities of Republicans found it unconvincing (55-66%).

Respondents then assessed a proposal to “eliminate Saturday letter delivery, while retaining Saturday delivery of packages, such as mail order medicines, and Priority Mail.” An extremely high number found it

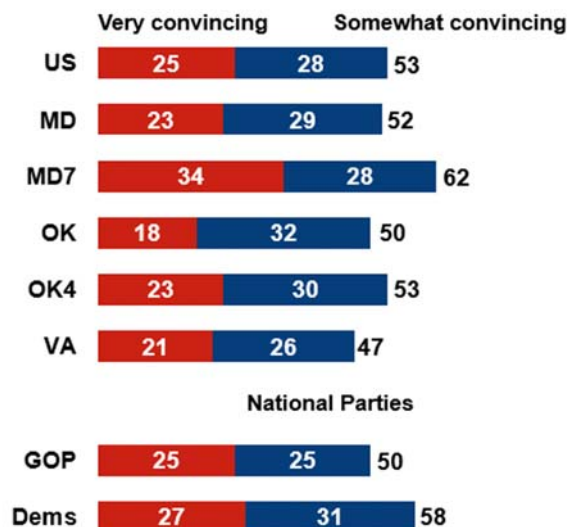
### Pro: Ending Saturday Letter Delivery

The Postal Service needs to be allowed to act like a business and adapt to Americans’ decreasing demand for paper. The US Postmaster General wants to eliminate Saturday delivery of most types of mail, saying it would save money and make good business sense. The Postal Service should be able to adapt effectively and efficiently.



### Con: Ending Saturday Letter Delivery

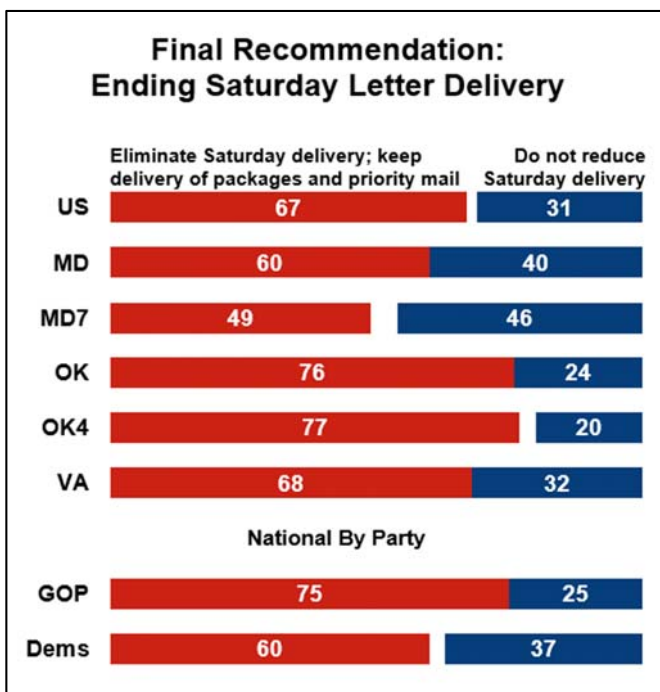
Cutting Saturday delivery would hurt various businesses. Some businesses require a fast delivery of mail at a low cost, such as Amazon. Businesses who advertise by mail would not have the opportunity to target Saturdays when people have more time to look at ads in the mail and who might go shopping as a result.





acceptable—72% nationally, 70-79% in the states, with Oklahoma being the highest. An additional 10% nationally and similar numbers in the states found it just tolerable. The exception was MD-7, where a lower 59% found it acceptable and 14% tolerable, while the rural OK-4 had the highest number—84% finding it acceptable. In the three states Republicans tended to be higher in finding it acceptable, but this was not the case nationally.

In their final recommendations, nationally two-thirds (67%) chose to eliminate Saturday letter delivery (see box). This was higher in Oklahoma (76%) and lower in Maryland (60%). The Republican majority (75%) was distinctly higher than the Democratic majority (60%) and this pattern obtained across all states.



## Reducing Door Delivery

***One idea for cutting costs not recommended by a majority is to require that most door-delivery mail boxes be converted to curbside or cluster boxes.***

Respondents were told that:

Right now, in urban and suburban areas many people receive their mail directly at their door while others receive their mail in curbside mailboxes or neighborhood cluster mailboxes (called cluster boxes). One option that would save money would be to require most customers to put a mailbox on the curb instead, or to get their mail at neighborhood cluster boxes down the street. Exceptions would be made for people who have disabilities.

The pro argument that people in urban areas can make the effort to walk to their mailbox like rural people already do was found convincing by a rather robust 73% nationally. Not surprisingly, the argument was found more convincing in the relatively rural state of Oklahoma (78%) and OK-4 (81%) than Virginia (72%) and Maryland (68%), or especially the very urban MD-7 (55%). Republicans especially saw it as convincing (see box).

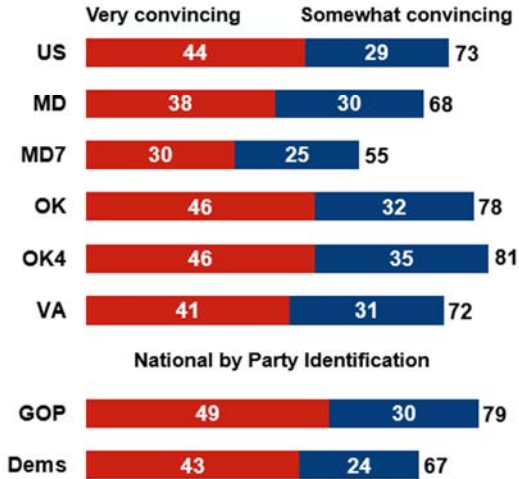
The con argument did less well (see box). Six in ten found convincing the argument that it is not clear this change would ultimately save money. Majorities were higher in Maryland and especially MD-7 than in Oklahoma, especially OK-4.





### Pro: Reducing Door Delivery

Moving away from delivering mail directly to people's doors is a common sense change: it will save the Postal Service a great many labor hours once they do not have to walk all the way to each door. Currently rural Americans all across the country do not get delivery to their door. It is only fair that people get equal levels of service. There is no reason why able-bodied people in many denser areas cannot do a little walking.



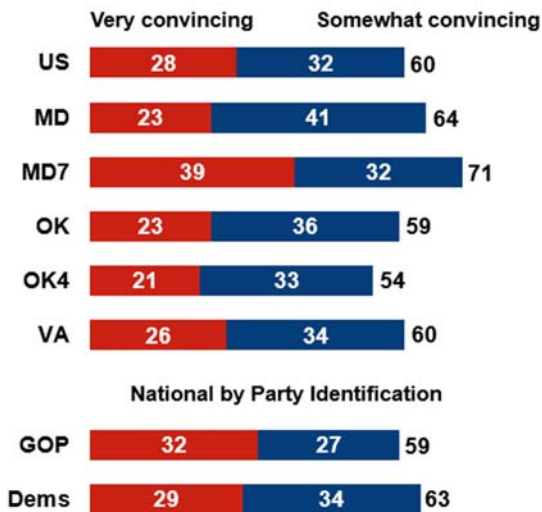
Respondents then evaluated two proposals. The first would require most door-delivery mailboxes to be converted to curbside or cluster mailboxes. About 30 million mailboxes would be converted and the conversion would be required by law. Seven in ten (74%) found this proposal at least tolerable (acceptable, 58%).

The second proposal was for the Postal Service to try to organize voluntary mailbox conversions by working with people in neighborhoods. There would be no legal requirement. Almost two-thirds (67%) found this acceptable (51%) or tolerable (16%), and Virginia was very similar.

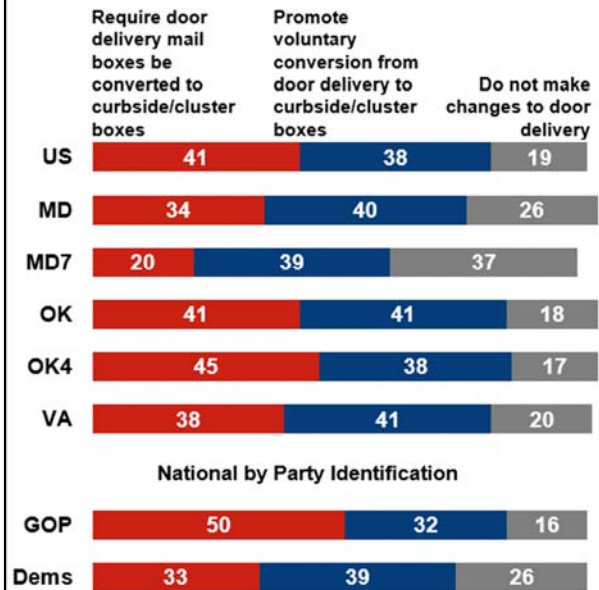
In their final recommendations, mailbox conversion to reduce door delivery was not chosen by a majority. Forty-one percent included it in their package of recommendations, while 38% chose promoting voluntary conversion and 19% said there should be no changes to door delivery. Required mailbox conversion did worst of all in MD-7, where only 20% chose it and 37% said there should be no changes. It did best among Republicans nationally, though no more than half (50%) chose it.

### Con: Reducing Door Delivery

It is not clear that this plan would really save a lot of money, because there would be a substantial and unknown cost to build new, secure cluster boxes in urban areas where space is very expensive. Putting up curbside mailboxes would also be a substantial cost that would have to be borne by the customer, the Postal Service, or possibly by taxpayers.



### Final Recommendation: Reducing Door Delivery







### Labor Dispute Arbitration

**Large majorities recommend requiring that in the event of labor disputes, arbitrators would always take into account the Postal Service’s long-term financial stability, rather than, as now, allowing the arbitrator to independently decide whether to do so.**

Respondents were briefed as follows:

Another proposal deals with labor relations. It would change how collective bargaining disputes between the Postal Service and the labor unions that represent postal workers are resolved. Currently, if the Postal Service and a union cannot reach agreement, after a certain period they are both required to present their cases to a federal arbitrator, whose decision is binding. At present, arbitrators make their decisions based on what issues are raised by each side in the dispute, often including the long-term financial condition of the Postal Service. Arbitrators must weigh all factors raised by either side.

This proposal would require the arbitrator to take into account the current and long-term financial condition of the Postal Service in every case.

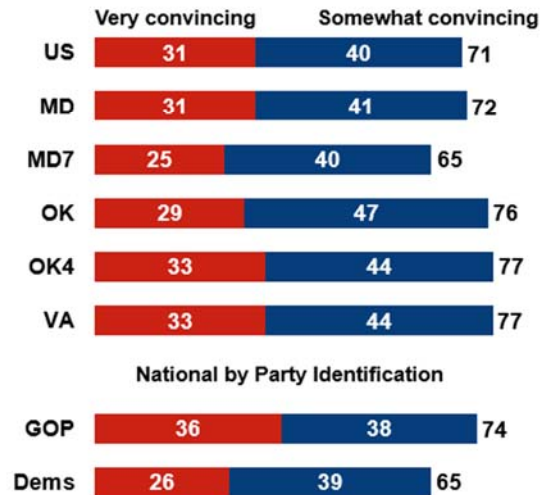
Respondents were presented the pro argument that Postal Service has to run as a business and thus its financial problems should be considered. Nationally 71% found this convincing, as did 72-77% in the states. The numbers finding this convincing were a bit lower among Democrats and in MD-7, and higher among Republicans (see box).

The con argument that the proposed change is unnecessary was also found convincing, but by smaller majorities—nationally 62%, among states 63-65%. This position, which is favorable to labor unions, was found more convincing to Democrats and less to Republicans.

Asked to assess how acceptable the proposal was, very large majorities found it acceptable—69% nationally, 66-72% in the states—with an additional 15% finding it just tolerable nationally. Republicans were more positive (74-83% finding it acceptable) than Democrats, but still large majorities of Democrats

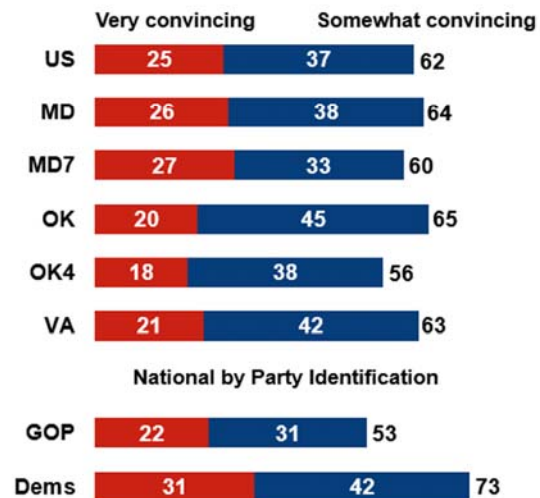
#### Pro: Requiring Arbitrator to Take USPS Financial Condition Into Account

Because the Postal Service has to run as a business and receives no money from Congress, its serious financial problems should always be considered when dealing with union demands. It is appropriate for Congress to make this a legal requirement because Congress ultimately has to make sure that the public interest is being served.



#### Con: Requiring Arbitrator to Take USPS Financial Condition Into Account

This proposed requirement is completely unnecessary. The Postal Service’s finances have always been considered in these disputes. This proposed requirement is really meant to make all considerations secondary to the financial condition of the Postal Service. It is also important to think about other factors, such as how a given decision might harm customers or Postal Service workers.

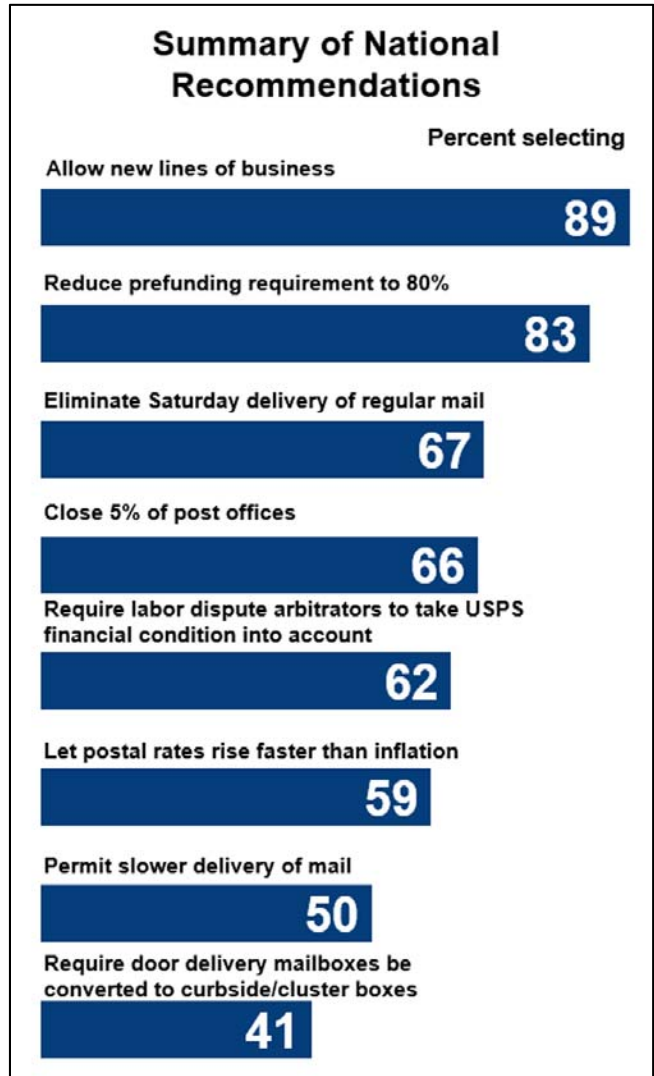
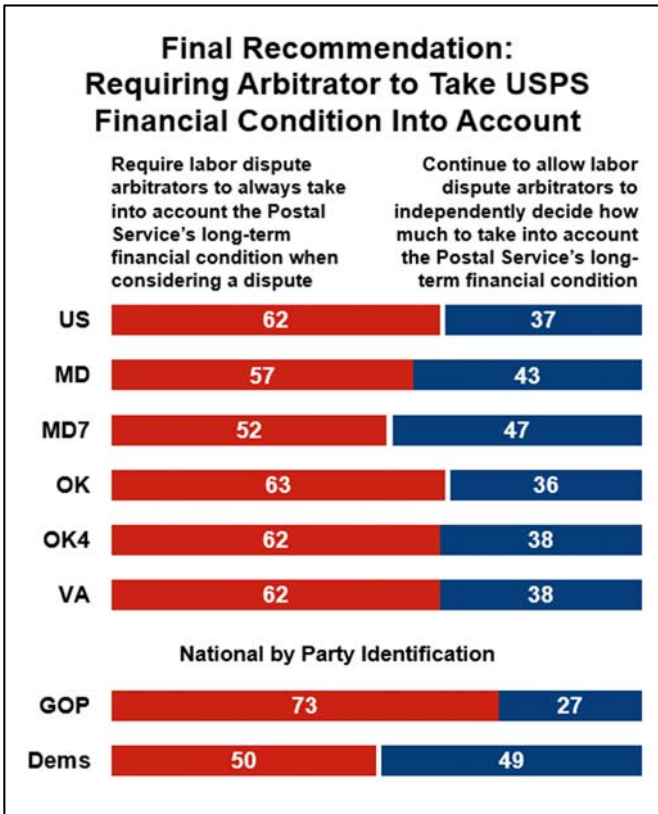




found it acceptable (59-67%). MD-7 was relatively low at 56% acceptable.

Asked for their final recommendation, clear majorities—62% nationally, 57-62% in states—recommended requiring that labor dispute arbitrators always take into account the Postal Service’s long-term financial condition when considering a dispute. MD-7 was lower, with 52% recommending the proposal.

Partisan differences were relatively strong. Seventy-three percent of Republicans chose the proposal, while Democrats were divided, with 50% choosing it and 49% not doing so. In Oklahoma and Virginia, modest majorities of Democrats were in support (54-55%), but in Maryland a 55% majority was opposed.



*“I feel strongly that if the post office is not supported by federal money then in essence, the federal government should not restrict its operations. This is only common sense.”*

- Douglas P., Oklahoma



**NOTES**



**Voice Of the People** is a non-partisan organization that seeks to re-anchor our democracy in its founding principles by giving ‘We the People’ a greater role in government. VOP furthers the use of innovative methods and technology to give the American people a more effective voice in the policymaking process.

VOP is working to urge Congress to take these new methods to scale so that Members of Congress have a large, scientifically-selected, representative sample of their constituents—called a Citizen Cabinet—to be consulted on current issues and providing a voice that accurately reflects the values and priorities of their district or state.



## PROGRAM FOR PUBLIC CONSULTATION

SCHOOL OF PUBLIC POLICY, UNIVERSITY OF MARYLAND

The **Program for Public Consultation** seeks to improve democratic governance by consulting the citizenry on key public policy issues governments face. It has developed innovative survey methods that simulate the process that policymakers go through—getting a briefing, hearing arguments, dealing with tradeoffs—before coming to their conclusion. It also uses surveys to help find common ground between conflicting parties. The Program for Public Consultation is part of the School of Public Policy at the University of Maryland.

### ACKNOWLEDGEMENTS

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Communications for Research recruited the members of the Oklahoma and Maryland Citizen Cabinet panels, with additional recruitment efforts in Maryland by OpinionWorks. Communications for Research programmed the U.S. Postal Service policymaking simulation and managed the panel that they recruited.

Richard Parsons, VOP’s Executive Director, and Rich Robinson, VOP’s Director of Communications, managed communications with U.S. Congressional offices and the press, and contributed to the writing of the report.

Allison Stettler managed the panel development and the design and production of the report with assistance from Dalexi Carrillo, Meaza Getachew and Sarah Reynolds.

Cover photo of U.S. Post Office at Adams Run, SC courtesy, Vanessa Kauffmann.