COMMITTEE ON ARMED SERVICES COMMITTEE ON VETERANS' AFFAIRS COMMITTEE ON THE BUDGET

Congress of the United States House of Representatives

Washington, DC 20515-2201

March 6, 2024

The Honorable Louis DeJoy Postmaster General and Chief Executive Officer United States Postal Service 475 L'Enfant Plaza SW Washington, DC 20260

Postmaster General DeJoy:

I write to reiterate my deep concern with the U.S. Postal Service's (USPS) ongoing Mail Processing Facility Review (MPFR) of the Iron Mountain Processing & Distribution Center (P&DC), and the agency's proposed changes to this facility. Launched as part of USPS's ten-year Delivering for America (DFA) plan, this MPFR has sought to determine whether increased cost savings and greater operational efficiency could be achieved by transferring certain mail processing operations currently conducted at the Iron Mountain P&DC in Kingsford, MI to the P&DC in Green Bay, WI.

The DFA's goals of improving service expectations for postal customers and achieving long-term financial stability for USPS are laudable, and throughout my time in office, I have been a strong proponent of postal reform. However, as I have said and will continue to say, any such reforms must ensure that postal operations in rural and remote areas of the country remain functional. I expressed this sentiment in a letter submitted to USPS on January 26, 2024, and while I appreciate the agency's response of February 14, my concerns remain.

I understand USPS intends to keep the Iron Mountain facility open and reposition it as a Local Processing Center – in accordance with the DFA – and yet I am deeply concerned about the impact this repositioning is already having on local mail services in Michigan's Upper Peninsula (UP). The <u>agency's response</u> to my original letter states:

Michigan may be among the first places to benefit from the DFA's processing modernization. For the average Michigan postal customer, these processing changes will go unnoticed, but what customers will notice is increasing reliability and more dependable service. The implementation of the DFA will enable the Postal Service to meet its service standards for all customers, including those in rural areas, more frequently than it has in the past. Businesses in the region will enjoy better and more efficient customer reach locally, regionally, and nationally.

Unfortunately, Michigan postal customers have already noticed service delays resulting from the proposed changes to the Iron Mountain facility. Following USPS's announcement of the MPFR, local post offices have shifted the time at which mail is gathered for delivery from the afternoon to the early morning, preventing mail items that are dropped off during the day from entering the shipping process until the following day. This change has effectively added an additional day to all shipping times. Further, one-day Priority Mail Express

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GWINN OFFICE 125 G Ave, Ste B-119 GWINN, MI 49841 (906) 273–2227 MANISTIQUE OFFICE 7876W Co RD 442, STE B MANISTIQUE, MI 49854 (906) 286-4191 shipping, which was available to customers as early as January, is no longer available from the UP to anywhere in Michigan. As a result, customers are now being charged the one-day rate for two-day shipping. Combined with the change in mail collection time, overnight shipping from the UP has, in effect, been eliminated.

The elimination of overnight shipping presents a number of troubling issues, some of which I outlined in my January 26 letter to the agency. Due to the rural and remote nature of much of Northern Michigan and the UP, many service-disabled Veterans and elderly residents have little option but to receive their medications and federal benefits through the mail. Imposing additional delivery times on these critical necessities has not resulted in increased "reliability and more dependable service" for these vulnerable populations in my district.

USPS also asserts "Businesses in the region will enjoy better and more efficient customer reach locally, regionally, and nationally." However, local business outreach to my office has reflected otherwise. In one salient case, the owners of an analytical laboratory based in the UP recently shared with me the harmful impact the above changes are having on their ability to operate. Local health departments and businesses across the UP regularly send drinking water samples to the laboratory to be screened for bacterial contamination. As mandated by the U.S. Environmental Protection Agency, samples must be received by the laboratory within twenty-four hours of collection. While this twenty-four-hour window previously presented no challenge when senders had access to one-day shipping, the effective elimination of overnight delivery in the UP – spurred on by USPS's proposed repositioning of the Iron Mountain facility – has undermined the laboratory's ability to operate safely and within federal law. While this is only a single case, it is reflective of the larger challenges now faced by many UP businesses.

In its February 14 response, USPS also states that the ongoing MPFR of the Iron Mountain facility will not result in "any career employee layoffs." While I appreciate this explicit assurance, I would inquire as to whether the agency expects job relocations to occur should the proposed changes to the facility be finalized. If reassignments are expected, postal workers employed in Kingsford will be forced to choose between long daily commutes, moving, or resigning from their current position. None of these options are particularly tenable for those who have chosen to make the UP their home.

As households and businesses across the UP continue to face longer mail delivery times, and Kingsford postal workers speculate on the future of their employment, I respectfully urge USPS – in the strongest terms possible – to terminate its MPFR of the Iron Mountain P&DC and halt any proposed changes to the facility.

Sincerely,

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Jack Bergman Member of Congress

CC: United States Postal Service Board of Governors

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