

meaning if you are accused of a crime in Egypt, we can send you back.

The danger is whether these pro-democracy workers are safe in the United States. We have Interpol agents in the United States who now have immunity and we have an extradition treaty with Egypt. There are definitely problems with allowing this to go on. This is an indication to me that maybe Egypt is not pursuing democratic goals, and that certifying them as a democratic country is perhaps not in our best interest, and maybe sending nearly \$2 billion of taxpayer money to Egypt, which continues to prosecute our citizens, is not a good idea.

Let me give an example of what Interpol is doing. Interpol recently took a Saudi journalist from Malaysia and sent him back to Saudi Arabia. Do you know what the crime was? He was accused of blasphemy. He was accused of the religious crime of apostasy. Do you know what the penalty in Saudi Arabia for blasphemy is? The death penalty. So we are now using an international police agency to go into a sovereign nation, where someone is accused of a religious crime and is sent back to a country where they can be put to death. This alarms me.

People say, oh, that could never happen in America. Well, right now, the President has allowed Interpol, through an Executive order, through the President's signature, to have diplomatic immunity in our country. For all I know, Interpol could be at this very moment looking for American citizens in this country and trying to get those people and extradite them to Egypt. This is a problem. This is why you don't want an international police force to operate within your sovereign Nation. There can be cooperation, but you don't want impunity and immunity for an international police force within your borders.

So I will introduce again an amendment to this bill and this amendment will say no aid to Egypt until they end this prosecution; no aid to Egypt until they end these red letter warrants they have asked for on U.S. citizens to be extradited to Egypt. We can't allow U.S. citizens to be sent to a foreign country to be tried in that country where blasphemy is a crime. Those are not American values, those are not American ways, and we cannot allow U.S. citizens to be subject to foreign laws and foreign crimes.

I will ask today for a vote on an amendment that will end Egyptian aid or at least delay Egyptian foreign aid until they relinquish this prosecution of our citizens.

Mr. LIEBERMAN, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MANCHIN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

21ST CENTURY POSTAL SERVICE ACT—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the motion to proceed to the motion to reconsider the vote by which cloture was not invoked on the motion to proceed to S. 1789 is agreed to. The motion to reconsider the vote is agreed to, and the Senate will resume consideration of the motion to invoke cloture on the motion to proceed to S. 1789, upon reconsideration. The Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

Motion to proceed to Calendar No. 296, S. 1789, a bill to improve, sustain, and transform the United States Postal Service.

The PRESIDING OFFICER. Under the previous order, there will be 10 minutes of debate equally divided and controlled between the two leaders or their designees.

Mr. LIEBERMAN. Mr. President, I rise to urge all of our colleagues to support the pending cloture motion filed by the leaders so we can begin a debate that will help decide whether the U.S. Postal Service—this iconic American institution created more than two centuries ago, embedded in the Constitution, created in the age of inkwells and quill pens—will survive in the age of e-mail and the Internet.

To me, this cloture vote should be an easy one because if we vote against cloture, we are essentially saying two things: One is we don't want to do anything. If we don't do anything, the Postal Service is going to run out of money and hit its borrowing limit later this year, forcing us to miss payments and unnecessarily begin to shut back or close down operations, which is the last thing the country needs at this point.

Frankly, the other thing we will do if we think we should do nothing is to leave the Postmaster General, the Postal Service, with an unlimited right to take steps that I believe a majority of Members of this body don't want to be taken precipitously without considering the alternative. That alternative is closing thousands of post offices around the country, including small towns in rural areas, and dramatically and quickly cutting back on the number of mail processing facilities, and therefore the standards by which mail is delivered and the speed with which it is delivered in this country. So I hope our colleagues consider this an easy vote, which is simply not to turn away from the crisis the Postal Service is in.

Senator COLLINS and I are joined by Senator CARPER and Senator SCOTT BROWN. We have a substitute that is a bipartisan proposal that I think will help save the post office but also force it to begin to make tough cost-efficient steps to keep itself in fiscal balance.

Let me give a sense of the scope of this matter. The Postal Service today, if it were a private corporation, would be the 35th largest company in the United States based on revenue, putting it just ahead of Apple. It would be the country's second largest employer just behind Walmart. The 32,000 post offices in America represent more domestic retail outlets than Walmart, Starbucks, and McDonald's combined.

These are big numbers, and the post office has a storied history. But today it is a troubled business and, frankly, on the verge of insolvency if we don't act—in part because of the recent economic recession but mostly because of the transformational impact of the Internet. The Postal Service has had a 21-percent drop in mail volume in the past 5 years, and, of course, a corresponding cut in revenue. As more businesses and communication move online, mail volume is inevitably going to continue to decrease.

In fiscal year 2011 the Postal Service took in \$65.7 billion but had expenses of \$70.6 billion. This \$5 billion loss would have actually been twice that if Congress had not delayed the due date for a statutorily required payment to the retiree health plan due at the end of the fiscal year. That followed record losses of \$8.5 billion in 2010. This simply cannot continue. As I said earlier, if nothing is done, the Postal Service will not have enough money to pay its bill.

Please vote for cloture. We have a good, solid substitute that is a major reform with some due process that will make the post office leaner and more efficient. It will dramatically reduce the number of employees and the number of facilities the post office maintains, but it will do so in a way that I think is evolutionary and not Draconian either to the Postal Service or the impact it would have on the millions of people who depend on the post office and will continue to every day.

There are a lot of different ideas about how to fix the post office. Some people don't want us to make any changes, and that is the road to bankruptcy. Some people want us to make Draconian changes right away, and I don't think that is appropriate. So I ask for a vote for cloture.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I am very pleased to join with the chairman of the Homeland Security Committee in urging all of our colleagues to cast a vote for cloture on the motion to proceed to this vitally important bill.

There are many different views on how to save the Postal Service, but there can be no doubt that the Postal

Service is in crisis. We are at a critical juncture. Without passing legislation, the Postal Service will simply be unable to meet its payroll, perhaps as soon as this fall. We simply cannot allow that to happen.

The Postal Service is vital to our economy. It is the linchpin of a trillion-dollar mailing industry that employs nearly 8.7 million Americans in fields as diverse as printing, catalog companies, paper manufacturing, and newspaper and magazine publishers. These industries and the jobs they sustain are in jeopardy. If we fail to act, we will deliver a crippling blow to the Postal Service.

As Senator LIEBERMAN has indicated, the Postal Service is in crisis. It has lost more than \$13 billion just in the past 2 years. First-class mail volume has dropped by 23 percent over the past 5 years and 12 percent over the past 2 years. The Postal Service has a debt to the U.S. Treasury of \$13 billion and will max out its credit limit of \$15 billion this year.

We have to address this crisis. It would be irresponsible for Members to simply vote no on the motion to proceed if they have other ideas on how to address this crisis. I have urged a full and open and fair amendment process so that Members can bring forth their alternative plans for saving the Postal Service. We simply cannot allow the Postal Service to fail. The stakes are too high for our economy and for Americans across this country.

Finally, I would remind my colleagues that the Postal Service's roots go back to our Constitution. This is an organization that is vital to our heritage and to our future. I urge a "yes" vote for the motion to proceed.

I yield back the remainder of the time on our side.

Mr. LIEBERMAN. I would do the same.

The PRESIDING OFFICER. All time is yielded back.

CLOTURE MOTION

Under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 296, S. 1789, the 21st Century Postal Service Act.

Harry Reid, Thomas R. Carper, Sherrod Brown, Mark Begich, Bill Nelson, Frank R. Lautenberg, Jeanne Shaheen, Richard Blumenthal, Christopher A. Coons, Dianne Feinstein, Patrick J. Leahy, Richard J. Durbin, Joseph I. Lieberman, Patty Murray, Charles E. Schumer, Mark Pryor.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 1789, a bill to improve,

sustain, and transform the United States Postal Service, upon reconsideration, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Vermont (Mr. LEAHY) are necessarily absent.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "yea."

Mr. KYL. The following Senators are necessarily absent: the Senator from Utah (Mr. HATCH) and the Senator from Illinois (Mr. KIRK).

The PRESIDING OFFICER. (Mr. TESTER). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 74, nays 22, as follows:

[Rollcall Vote No. 66 Leg.]

YEAS—74

Alexander	Franken	Murray
Ayotte	Gillibrand	Nelson (NE)
Barrasso	Grassley	Nelson (FL)
Begich	Hagan	Portman
Bennet	Harkin	Pryor
Bingaman	Hoeven	Reed
Blumenthal	Hutchison	Reid
Blunt	Inouye	Roberts
Boozman	Isakson	Rockefeller
Boxer	Johnson (SD)	Sanders
Brown (MA)	Kerry	Schumer
Brown (OH)	Klobuchar	Sessions
Cantwell	Kohl	Shaheen
Carper	Kyl	Snowe
Casey	Landrieu	Stabenow
Coats	Lautenberg	Tester
Cochran	Levin	Thune
Collins	Lieberman	Udall (CO)
Conrad	Lugar	Udall (NM)
Coons	McCaskill	Warner
Corker	McConnell	Webb
Cornyn	Menendez	Whitehouse
Durbin	Merkley	Wicker
Enzi	Moran	Wyden
Feinstein	Murkowski	

NAYS—22

Baucus	Heller	Paul
Burr	Inhofe	Risch
Cardin	Johanns	Rubio
Chambliss	Johnson (WI)	Shelby
Coburn	Lee	Toomey
Crapo	Manchin	Vitter
DeMint	McCain	
Graham	Mikulski	

NOT VOTING—4

Akaka	Kirk
Hatch	Leahy

The PRESIDING OFFICER. On this vote, the yeas are 74, the nays are 22. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, upon reconsideration, the motion is agreed to.

The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank the Chair, and I thank our colleagues for a very strong vote which says to me that Members of the Senate, across party lines, understand that the Postal Service is a historic and also important part of America's future. It needs to change. It is in the midst of a real and dangerous fiscal crisis. We may differ about how to react to that crisis, but this strong cloture vote says to me that three-quarters of the Members of the Senate at least are ready and eager to debate and to pass

something that will save the Postal Service from bankruptcy and the implications that would have for our economy overall. The billions of dollars or hundreds of billions of dollars of our economy that depend on the mail would be compromised, and our economy and jobs would be further hurt.

I hope that as the day goes on—obviously, with the strong vote for cloture, we now proceed to a 30-hour period of debate on the matter, but I certainly hope that as the day goes on and the members of both caucuses and the leaders talk we can find a mutually agreeable path not to spend the 30 hours on the debate on this motion to proceed but that we go right to the bill.

At that point, Senator COLLINS and I, along with Senator CARPER and Senator SCOTT BROWN, will file a bipartisan substitute amendment which we have worked on which we hope will be the pending matter and then have an opportunity for people who have a different point of view about how to deal with this fiscal crisis of the post office—not to avoid dealing with it—people will have an opportunity to present amendments, and the body will work its will, which is the most important thing.

There are too many great national problems the Congress is not dealing with because of partisanship, because of ideological rigidity, because of an unwillingness to do what has to be done in our system of government, which is to compromise—not to compromise your principles but to understand that in a representative body such as the Senate, representing a country as big and as diverse as ours, you rarely can expect to get 100 percent of what you want. The aim should be to make progress, to get at least 50 percent of what you want and to let the other side get some of what they want as well.

So I would like to deliver now an opening statement and then hope that the ranking member, Senator COLLINS, will do the same on the bill, the substitute, which is S. 1789.

I am convinced that the substitute will help make the Postal Service leaner, nimbler, and more cost efficient, while still maintaining the service we Americans need to live our daily lives and to keep our economy going. But I want to be clear: This bill alone is not going to save the U.S. Postal Service. The changes occurring around it and within it are too deep. It will represent a very significant step forward. It will save the Postal Service, as we will indicate as this debate goes on, save billions and billions of dollars annually, and put the Postal Service back on the road to fiscal balance.

I view this bill as a bipartisan compromise, as the middle way between two different approaches to the fiscal crisis at the Postal Service, one that to a certain extent wants to wish it away, to say that really nothing has to change and we just have to find more ways—a different business model—we

have to find more ways for the Postal Service to make money, and we can just keep on doing business as we are doing. The end result of that is that either the Postal Service will collapse of its own weight or the Federal Government—the taxpayers—will be expected to bail it out, and I don't think that is what the American people want us to do. So one way is to do nothing.

The other way is to impose what I would call kind of an immediate over-reaction—close thousands of post offices that people depend on across the country, close hundreds of mail processing facilities, which will mean that people will not be able to get their mail and businesses will not be able to realize the expectation of timely delivery of the mail. And it will have a negative impact on this economy of ours which is still struggling to come out of a recession.

We are offering a middle way here that will provide real and substantial savings from the current operating picture of the post office, which is in severe debt and lost more than \$13 billion over the last 2 years, but will do it with due process, will do it in a way that requires the post office to look at every alternative before closing post offices that are so important to people in most every area of our country.

This bill, in other words, is an important beginning, and it will allow the Postal Service more time to continue working with its customers, its employees, Congress, and others to develop a balanced approach to what we need it to do in an age when almost every piece of communications that can be digitized is being digitized and sent over the Internet.

But if I may, I would like to step back and offer just a little bit of history because we are dealing with a current problem, but there is a rich history when you talk about the U.S. Postal Service.

It is kind of an accidental irony, a coincidental irony of the Senate bill numbers that this bill turns out to be S. 1789 because 1789 was the year the first Congress under the Constitution was seated. Among the duties of that founding body was the charge under article I, section 8, and I quote, “to establish Post Offices and Post Roads.” In fact, in the list of congressional powers detailed under section 8, creating the postal system comes before the creation of an army, a navy, or Federal courts. That is how important the Founders felt this public function would be to our new government, particularly in a democracy, how important communication was, and, in a country that had ambitious economic and commercial dreams right from the beginning, that the ability to communicate through a post office would be critically important to commerce and job creation.

In the Revolutionary era, it was the post office, under the direction of our first Postmaster General, Benjamin Franklin, that sped communications

among the members of the Continental Congress and the American Revolutionary military as well as delivered letters and newspapers from across our fledgling Republic that helped keep the citizens of our new country abreast of events in faraway cities and towns.

If you read some of the histories of the Revolutionary War, some of the great biographies done of the founding generation of Americans, that extraordinary and gifted group, you see the role the post office and postal communications played in their ability to keep in touch with each other. And some of the most important communications occurred, for instance, between the government and the military.

Ever since that early period of American history, the post office has had a tradition of aiding progress and innovation. Maps from the early days of our Republic show that many of the roads we still depend on today—if I may be parochial, I will cite I-95 in Connecticut and a lot of other places along that path—still follow and in some cases are built on top of old post roads.

The job of maintaining Samuel Morse's first telegraph line between Washington and Baltimore was entrusted to the post office. And it was a former Postmaster General who helped Morse expand his transformational network of telegraphs and communications to other cities in our country. But that network grew slowly, so to keep our Nation connected with its frontiers way out in places such as Montana, I might say to the occupant of the chair, the post office helped sponsor the Pony Express. That was a great early example of what we talk about a lot but do not do as much as we should—public-private partnerships. The Pony Express filled a necessary gap in communications until the telegraph finally spanned our Nation coast to coast.

The post office's subsidies for airmail in the early days of aviation helped jump-start the fledgling airlines and air freight industries, which, of course, we all depend on so much today.

I will not repeat what I said in my statement about the scope of the Postal Service today when I spoke earlier in support of the vote for cloture, but I will just repeat and say that if the post office were a private corporation, it would be the 35th largest company in the United States just ahead of Apple; that is, by revenue. It would be the country's second largest employer just behind Walmart. Its 32,000 post offices across America represent more domestic retail outlets than Walmart, Starbucks, and McDonald's combined.

But perhaps because of some of that, certainly notwithstanding it, the post office is today a troubled business. I want to speak honestly and directly. It is on the verge of insolvency if we do not act. Part of the problem more recently, obviously, is the impact of the economic recession we are in, but the big problem is one that is not going to

get better; that is, business loss to the Internet has led to a 21-percent drop in mail volume in the past 5 years and a slump in revenue as a result. You have to be unrealistic to say anything other than that this trend is going to continue and that mail volume will continue—first-class mail volume will continue to decrease. As I mentioned, there has been \$13 billion in deficit in the last 2 years—running a deficit in the last 2 years at the post office. It would have been \$5 billion more if Congress had not come along and delayed the due date for a statutorily required retiree health care prefunding payment that was due at the end of the last fiscal year.

This simply cannot continue. This is one of those bills that come along not because you are excited about doing it but because you have to do it. If we do not act, I repeat, two things are going to happen: Either the Postal Service will become insolvent and have to cut back its operations or the Postmaster will use authorities he has under the current law to close a lot of post offices and mail-processing facilities and cut back service. And I know Members across party lines do not want that to happen precipitously.

Let me now describe some of the major parts of the substitute bipartisan bill that has come out of our committee.

The bill includes the two measures that will relieve some of the immediate financial pressure on the Postal Service. The first is based on an Office of Personnel Management determination that the Postal Service has overpaid its contributions to the Federal retirement system by roughly \$11 billion. Call it a misunderstanding, call it a clerical error—it is fortuitous for the Postal Service and the trouble it is in. Our bill directs OPM to refund this money to the Postal Service and then directs the Postal Service to use this money to provide retirement incentives to employees and to pay off some of its debt.

Let me explain what I mean about those incentives. S. 1789, the substitute, would direct the Postal Service to use part of these refunds in the Federal Employee Retirement System to reduce its labor costs, which make up about 80 percent of its budget. There is no way the Postal Service is going to get back in balance without continuing to do what it has been doing, by tens of thousands, reducing the number of employees it has. But the aim here is to do that as a result of a voluntary buyout program.

The fact is that approximately half of the Postal Service's current workforce is eligible for either full or early retirement, and if 100,000 workers took advantage of the program—which is below the full amount eligible—the Postal Service would save \$8 billion a year. That is the single most significant saving item in the package that we bring before you today. We set a goal here, which is that the Postal

Service should aim to reduce its workforce with this incentivized retirement program by approximately 100,000 workers or 18 percent of its current workforce.

Our bill also reduces the amount the Postal Service must pay into its retiree health benefits account over the next 40 years. The current formula of scheduled payment was part of postal reform passed some years ago. We conclude that the payments required are larger than necessary to sustain the viability of the retiree health benefits plan, so we mandate an updated amortization schedule to fund postal retirees' health care in the future. It is not just an arbitrary number. We think that means the Postal Service is likely to see a significant cut in its annual \$5 billion bill to prefund retiree health care, which, of course, would take further stress off the Postal Service's annual operating budget. We expect, as the debate goes on, to have as close as possible an exact projection of how much that change would save for the Postal Service itself.

Now let me talk about some of the proposals that the Postal Service and Postmaster have made that have been most controversial.

First, Saturday deliveries and canceling most Saturday deliveries. The Postal Service has said it can save \$3.1 billion a year by cancelling Saturday deliveries to individual homes and businesses. It is not something you want to do, but if you are looking to get this institution back into balance and keep it alive, it is one of the things we are probably going to have to do. The Postal Rate Commission agrees that ending most Saturday deliveries will save a lot of money, but says their savings estimate is \$1.7 billion a year versus the \$3.1 billion figure from the Postal Service.

Either way, we are talking about a substantial reduction in costs, and one we may have to face. Our bill recognizes that ultimately it may well be necessary to switch to 5-day delivery. I say it is going to be necessary to switch to 5-day delivery. But we require the Postal Service to follow a certain path over the next few years before that significant step—6 to 5 days—is carried out.

They first have to determine, according to the bill, if the other cost-saving measures in the bill have made canceling Saturday service unnecessary. We can hope that would happen, but I am skeptical that it will.

If a 5-day schedule is deemed necessary, the Postal Service must then submit a plan to Congress, the GAO, and the Postal Rate Commission on how it plans to cushion the negative effect on the businesses and communities it serves.

GAO and the PRC will then submit their own studies to Congress on this matter. If the PRC and the Comptroller General conclude that the change is necessary to allow the Postal Service to achieve long-term financial sol-

vency, then 2 years from adoption the Postal Service will implement a 5-day delivery schedule.

What about the closing of post offices, which has created a lot of concern all across America in response particularly to the Postmaster announcing a list of 3,700 post offices that are possible candidates for closure? One of the things we found in response to this is exactly what I have found over the years in Connecticut. The local post office is not just a place where mail and packages pass through; it becomes a local institution of community significance. It is hard to convince people they should be closed. People are attached to their local post office, not just in small towns and rural areas—especially there—but in a lot of other places, including cities and neighborhoods in a State such as my own State of Connecticut.

The reality is we cannot afford to continue to have as many post offices as we do, operating in the way they do. So our bill would improve the present law covering post office closures. It doesn't prohibit them, but it requires more public participation and due process, and it requires the Postal Service to issue comprehensive retail service standards to ensure that communities throughout the country have access to retail postal services if their current post office needs to be closed—in other words, to look for ways to consolidate retail postal services. Perhaps they can put the retail postal service in a State or local government office building or perhaps put it in a retail establishment or a Wal-Mart or whatever to make sure that the services are maintained in a more cost-effective way, even if the local post office is not.

The bill also requires that the Postal Service take steps before closing a post office that it does not now have to take, including offering a community these other options I have talked about, such as keeping the post office open with more limited hours or permitting private contractors or rural carriers to provide the services the local post office is now providing.

Another one of the controversial proposals the Postmaster made is to close 232 of its current 461 mail processing facilities—not the post offices, but the places the mail goes to be processed so it can get from where it is sent to where it needs to be delivered. The truth is there is excess capacity in this system now, and the Postal Service has to eliminate some of that excess capacity.

However, the bipartisan substitute proposal basically requires that care be taken so this is done in a way that does not compromise the service standards necessary to maintain the current customer base. In other words, we have to reduce expenditures, but if we do it precipitously, as some of our colleagues will propose amendments to do, the net effect is that less people will use the post office, because they will not get the needed service and, as a re-

sult, revenues will drop, and probably even greater.

The substitute amendment, therefore, permits the Postal Service to eliminate excess capacity in the mail processing system but again requires the Postal Service to maintain a modified overnight delivery standard—a bit reduced from what it is now, but still there, particularly for the local delivery areas.

The maximum standard delivery time—and most people probably don't know this—the Postal Service accepts a maximum delivery time of 3 days to deliver a letter mailed anywhere in the continental U.S.; it has to be delivered anywhere else in the continental U.S. within 3 days. That will remain unchanged. The Postal Service would be required to maintain a sufficient number of processing facilities to meet these delivery standards but could otherwise close unneeded facilities.

So far, I have talked about the cost side of the ledger. S. 1789, the substitute, also gives the Postal Service tools to bring in fresh revenues by offering new products and services, specifically authorizing contracting with State and local governments to issue State licenses, authorizing for the first time the Postal Service to do what some of the private shippers do—shipping beer, wine, and distilled spirits, and provide notary services or provide specialized Internet services.

Our bill would also create an advisory commission of prominent citizens and charge them, within a set period of time, to reconsider the Postal Service's current business model and provide it with a strategic blueprint for the future that will enable it to both continue to exist and provide the services people want, but to do so in a way that balances its budget.

Finally, it creates a chief innovation officer at the Postal Service whose job is to continue to find ways to innovate and build on not only the constitutional responsibility to maintain the Postal Service and post offices but to do so in a way that is innovative and builds on the irreplaceable assets the Postal Service has, particularly the capacity to deliver to the last mile anywhere in this country.

These reforms are necessary. They will make the post office smaller and more cost efficient. As a result of this bill, there will be fewer employees at the post office and fewer facilities. You have no choice but to bring that about.

But this bill will keep the Postal Service alive. I think it will keep it well and it will put it on a path to surviving forever but in a different way, because the environment in which it is operating, because of the Internet, simply has changed. Despite its shrinking stream of posts and parcels, here is the reality we are dealing with and what would be affected if the Postal Service is to begin cutting back its operation.

The Postal Service still delivers 563 million pieces of mail every day. Only the Postal Service, for the price of a

stamp, will go literally that last mile to ensure delivery to every business and residence in America, using burros in the Grand Canyon and snowshoes in Alaska, doing whatever is necessary to make that happen.

What Federal agency, if I can go to another service the Postal Service gives, could process—think of the unthinkable—6.7 million passport applications a year if the Postal Service weren't there.

These are some examples and suggestions of the fact of what is possible but also proving that the Postal Service is not just a relic of the 18th century; it is a pivotal part of the 21st century.

The computer age poses unique challenges to the Postal Service, and the day may come when we will send and receive mail, get most of our magazines and books, and pay our bills on electronic devices that are reliable and secure. But honestly the day will never come when we can send physical things across the Internet between homes and businesses—such as medicine, clothing, household and business supplies, and even spare parts for those computers we use so much.

The Postal Service is unique, and its network of support facilities and dedicated employees stands ready to deliver to every home, store, business, and factory in America. That is why we have to act to make sure it continues to be able to do that.

Let me go back to the first Postmaster General, Benjamin Franklin, who always had a lot of good things to say that even seem relevant centuries after. Franklin said, "By failing to prepare, you are preparing to fail." This bill offers preparations to succeed, to make sure the Postal Service never fails.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I ask unanimous consent that I be permitted to speak for up to 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Today, the Senate begins debate on reform legislation to save an American institution—the U.S. Postal Service. Our Founding Fathers recognized the importance of having a postal service. Article I, section 8 of the Constitution gives Congress the power to establish post offices. The Postal Service is also required by law to provide the entire population of the United States with adequate and efficient postal services at a fair and reasonable rate. This is called the universal mandate, and it ensures that the Postal Service cannot leave behind rural States and small towns.

The Postal Service, which has delivered news to generation after generation of Americans, is at great risk of not being able to make its payroll by this fall, according to the Postmaster General himself. My point is that this crisis is very real. The Postal Service

is in debt to the U.S. Treasury by \$13 billion. By the end of the year, it is likely to reach its statutory debt limit of \$15 billion. Driving this crisis are many factors, not the least of which is that the volume of its first-class mail has fallen by 26 percent since 2006 and continues to decline as this chart shows. Reflecting that sharp drop in volume, revenue has plummeted from \$72.8 billion in 2006 to \$65.7 billion in 2011.

The Postal Service is part of our culture and economic fabric. Its failure would deliver a crushing blow to our economy at a time when the economy is already fragile, and it would be particularly harmful to people living and working in rural America. That means we must pass a bill. Doing nothing is only an option if we are willing to let the Postal Service fail. That is the choice we face. Failure would imperil a vital component of our economy, for the Postal Service is the linchpin of a \$1 trillion mailing and mail-related industry that employs nearly 8.7 million Americans in fields as diverse as direct mail, printing, catalog companies, magazine and newspaper publishers, and paper manufacturing, to name just a few. In my State, nearly 38,000 Mainers work in jobs related to the mailing industry, including thousands at our pulp and paper mills, such as the one in Bucksport, ME, which manufactures the paper for Time magazine.

The rapid transition from traditional mail to electronic communication has come at an enormous cost to the Postal Service. The loss of so much mail, coupled with unsustainably high labor costs and exacerbated by the worst recession in decades, has left the Postal Service on the brink of collapse. Despite these headwinds, the Postmaster General is inexplicably forging ahead with plans to abandon current mail service standards in favor of reduced access, slower delivery times, and higher prices. His plans, I fear, will force many of the Postal Service's best customers to pursue delivery alternatives. I cannot think of another major business in serious financial trouble that would risk alienating its remaining customers by slashing service and raising prices. That is a recipe for disaster.

We recently learned the Postal Service's own preliminary analysis—submitted secretly to its regulators—reveals that the destructive service reduction plan to slow mail delivery and shut down postal plants will lead to a more than 9-percent decrease in first-class mail and a 7.7-percent reduction in all mail. The Postal Service itself made a preliminary estimate that the first year losses alone would be \$5.2 billion. That would consume a major portion of any supposed savings intended by the Postal Service's plan.

Of course, now that these numbers have become public, the Postal Service is backpedaling rapidly and criticizing its own estimates, claiming the survey questions gave the respondents—postal customers—too much information

about the drastic nature of the proposed service reductions before asking if these mailers would likely pull out of the system in response to these changes. If the Postal Service is aware of a legitimate methodological flaw in the study, then I would urge a public release of the study and an explanation for why it was submitted to the regulators if, in fact, it is so flawed.

The findings of the survey do not surprise me. They are consistent with what I am hearing from major postal customers. Mailers are all too aware of the destructive course postal leaders are pursuing. Once customers turn to communication options other than the mail system, they will not be coming back, and the Postal Service will be sucked further and further into a death spiral. Companies large and small that rely on the mail tell me if service continues to deteriorate, they will conduct more business online and encourage their customers to switch to online services for bill paying and other transactions.

Let me give an example from Bangor, ME, which illustrates this economic reality. A small business owner from the hometown in which I am living now sent me an e-mail he received from the company that processes his payroll. In the e-mail, the payroll company reminds the small business owner that the Postal Service intends to close a nearby processing center in Hampden, ME. The payroll firm recommends the best option for the small business would be to move to an electronic option outside the mail system. It also offered another option of using nonmail delivery or pickup services.

My point is this example reflects the realities of commerce. Degrade service or raise prices and we don't get more revenue, we get fewer customers and less revenue.

One bright light for me, with respect to the bill we are considering, is that we first should do no harm in the form of hastening the volume decline through ill-conceived policy changes. That is why the downsizing of the labor force and excess capacity the Postmaster General has stated are critical to saving the Postal Service must be carried out in a way that preserves service and does not inflict avoidable harm on dedicated postal workers.

There are naturally strong opinions on what should be done to save the Postal Service, and the bill and the substitute we are bringing to the floor is the product of careful consideration of those competing positions and priorities. As with any bipartisan compromise, this is not the bill each of us alone would have crafted, but we came together because our goal of saving the Postal Service is so important. Senator LIEBERMAN, Senator SCOTT BROWN, Senator CARPER, and I consulted extensively with postal customers, both business and residential, with postal workers, with the Postmaster General, the GAO, the administration, and local communities deeply committed to preserving their postal facilities. We have

deliberated together literally day after day, meeting after meeting on these complex issues. The product of these deliberations—the 21st Century Postal Service Act—provides the right tools to the Postal Service, with the right checks and balances, to set it back on course.

First, let me give our colleagues some background. The first thing we did was analyze the Postal Service's costs. The fact is labor-related expenses are responsible for 80 percent of the Postal Service's costs. It is always painful to recognize that workforce costs are simply too high, especially when the employees are as dedicated as those working at the Postal Service. Avoiding reductions in these expenses is simply not an option as we hope to save as many jobs as possible, both within the Postal Service and within the broader mailing community. But we can do so in a compassionate, fair way.

Our bill would transfer to the Postal Service the nearly \$11 billion it has overpaid into the Federal Employees Retirement System. We would direct the Postmaster General to use a portion of this money for retirement and separation incentives in order to reduce the size of the workforce compassionately. Let me emphasize—because there are misunderstandings on this point—the refund from FERS—the Federal Employees Retirement System—is not taxpayer money. It was contributed by the Postal Service using ratepayer dollars. It is an overpayment that was identified and confirmed by the actuaries at OPM and verified by the GAO.

In fact, GAO recently confirmed OPM's assessment that this figure now has risen to nearly \$11 billion. We would encourage early separation and retirement incentives, capped at the current Federal limit of \$25,000, combined with retirement incentives, such as giving an extra year of service credit if the postal worker is in the CSRS system—the old Civil Service Retirement System—or 2 years if the worker is in the FERS system. That would allow the Postmaster General, by his estimate, to compassionately reduce the workforce by about 100,000 people, a goal he has said in the past was necessary to achieve solvency.

Let me give our colleagues another important fact. More than one-third of all postal workers are already eligible for retirement, so these incentives should be effective and, as the chairman indicated, would save an estimated \$8 billion a year.

The bipartisan legislation also includes a new requirement that arbitrators rendering binding decisions in labor disputes consider the financial condition of the Postal Service. I know it may defy belief that an arbitrator would not automatically consider the looming bankruptcy of the Postal Service when ruling on contract disputes, but some previous arbitrators have disregarded this factor in their

decisions because the requirement to consider it was not explicitly listed in law. We would remedy this problem.

For the first time in 35 years, the bill also brings sorely needed commonsense reforms to the Federal workers' compensation program—not only at the Postal Service but across the Federal Government. But why is this particularly important to the Postal Service? Forty percent of workers who are on the long-term rolls for Federal workers' comp are postal workers. The Postal Service contributes about \$1 billion a year in Federal comp costs.

This program, intended as assistance for injured workers to help them recover and return to work, currently has more than 10,000 postal and Federal employees age 70 or older, 2,000 of whom are postal employees. They receive a higher payment on workers' comp than they would under the standard retirement program, even though it is obvious at that age they would not be returning to work. In fact, 430 of these workers, Federal and postal, are over 90 years of age and 6 workers are 100 years old or older. These employees clearly are never going to return to work, and they should be switched to the normal retirement system.

It is unfair to employees who are working to the normal retirement age. It does not serve injured workers well. It also imposes an enormous financial burden on the Postal Service.

Our bill, I would note, in its workers' comp reforms, is very similar to the reforms proposed by the Obama administration. It would make benefit levels more comparable to what the majority of States are offering their workers. Let me describe just a few more of these issues.

First, for people past retirement age the median annual workers' compensation benefit is 26 percent higher than the median benefit received by Federal and postal workers who retire under the regular retirement system. Thirty-nine of the 50 States pay their workers' comp recipients two-thirds or less of their salary. Yet most Federal beneficiaries receive 75 percent of their salary, and that is tax free.

The program has also been shown to be highly vulnerable to fraud and abuse. That is not good for workers who are truly injured and need the help of this program. Let me mention two flaws. The program relies heavily on self-reported data, and it does not now require the use of independent physicians to assess the initial or continued eligibility of claimants. These vulnerabilities are not hypothetical, but they surely are costly.

The IG of the Department of Labor reports that the removal of a single fraudulent claim saves on average \$300,000 to \$500,000. When the IG reviewed over 10,000 claimant files a decade ago, there were irregularities in almost 75 percent of the cases. That resulted in benefits being reduced or ended for more than 500 claimants, saving almost \$5 million a year in benefits that otherwise would be paid.

I note that the Obama administration has proposed many similar changes and also has recommended that they apply across the board so we do not have two different systems. We agree.

I want to move to another issue about which there has been a lot of discussion. The Postal Service blames some of its financial woes on a 2006 requirement to prefund its retiree health plan—a requirement the Postal Service endorsed at the time, I might add. The Postal Service currently owes \$46.2 billion to cover the costs of the promises it has made to provide health care to future retirees. That unfunded liability is not going away. Nevertheless, the payments for retirement health benefits could be eased by coming up with a new amortization schedule that stretches out the payments. That is what we have done.

We have established a 40-year amortization schedule for the unfunded liability, and we would also reduce the requirement that the fund reach 100 percent of the liability. We have changed that to 80 percent, which is more consistent with what is done by the private sector.

I note this would reduce the annual payment by approximately \$2 to \$3 billion while still keeping promises to workers and avoiding a taxpayer bailout. Our bill gives authority to the Postal Service to save money through greater efficiency in its operations. We do so in a way that ensures that rural America will not be left behind. As the Presiding Officer is well aware, across America communities are up in arms over the Postal Service's plans to close about 3,200 post offices. It has become clear to me, in looking at the specifics, that common sense often is not applied in these decisions.

We do not mandate that every single post office remains open nor do we dictate that an arbitrary number should close. Instead, our bill requires the Postal Service to work with the Postal Regulatory Commission to establish for the first time clear standards for what constitutes reasonable access to postal services for communities and for customers. These would be developed by considering important factors, including distance, travel time, access to transportation, weather, and geography.

That means if the Postal Service tries to close a post office and that closure would result in this new service standard being violated, the community, under our bill, could appeal the closure to the Commission. If the Commission agrees, its binding decision would require the service to be preserved.

The Presiding Officer, Senator TESTER, and Senator MORAN from Kansas have worked very hard on the language in this provision. I thank them for that. What is more, the bill requires the Postmaster General to work with communities to offer cost-saving alternatives to full-time, full-service post

offices in lieu of totally shuttering a beloved post office in the heart of town.

There are so many options the Postal Service could use. For example, moving the post office into a retail store, providing hours part time—say at 7 to 9 in the morning, when people are going to work, or 5 to 7 in the evening when they are coming home. We need to be creative. In recent months we have seen the Postal Service announce a number of Draconian measures, including the closing of hundreds of processing plants and implementing disastrous service standards changes, including a proposal to do away with overnight delivery, one of the real advantages the Postal Service has.

Our bill takes a better approach that helps the Postal Service rightsize its excess capacity while still maintaining what is one of its most valuable assets: its ability to deliver mail overnight to many areas.

Let me give another example. The Postal Service has proposed closing one of two processing plants in the State of Maine, the one that is located in Hampden, ME, in the central eastern part of our State. That means for northern Maine communities that are sending mail between those communities, the letter would have to take a roundtrip of more than 600 miles to be processed and returned. That makes no sense at all. It clearly will lead to a marked slowness in delivery, a deterioration in service, and, I would argue, probably to more costs. That plant could be downsized, but it should never be closed.

There are so many options that need to be pursued by the Postal Service in order to prevent service from deteriorating and delivery times from lengthening because, once again, that will drive more mail out of the system, and that is the last thing the Postal Service needs.

I would say that many postal employees have pointed out to me, as has the inspector general, that there are excessive bureaucratic costs at the Postal Service. For example, the Postal Service—even though it is insisting on closing all these facilities—already has over 67 million square feet of excess property that it has yet to dispose of. The bill requires the Postal Service to devise a plan to close and consolidate these administrative offices around the country and to start implementing that plan within the year.

We have also encouraged collocation of postal facilities with other Federal agencies, an idea that Senator CARPER had to minimize excess capacity. We also authorized the Postal Service to convert delivery from front door to the curb where it is practical and cost effective. The Postal Service inspector general has estimated this could save as much as \$4.5 billion a year.

Another controversial issue that we tackle in this bill is the Postmaster General's proposal to eliminate Saturday delivery. I have said repeatedly

that I believe abandoning Saturday delivery will once again drive mail out of the system and do more harm than good. Our compromise prohibits eliminating Saturday delivery for at least 2 years so that cost-cutting reforms can be implemented. If at that point to achieve solvency the Postal Service needs to go to 5-day delivery, it can do so if it proves it has done everything else to cut its excessive costs. Again, reducing service should be the last resort, not the first option. Our hope is that the cost-cutting tools we provide the Postal Service in this bill will allow this service reduction to be avoided.

There is much more in this bill which we will discuss as the debate goes on. Today is just the first step in what I know is going to be a long journey. But the point is we must pass a postal reform bill. The House also has a bill that awaits floor consideration, and more compromises will have to be made along the way. But we cannot forget the urgency of this task.

I ask my colleagues to work with us during the upcoming floor debate, and I urge their support for final passage. The fact is it is up to us to preserve this vital American institution, the U.S. Postal Service.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:45 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. WEBB).

21ST CENTURY POSTAL SERVICE ACT MOTION TO PROCEED—Continued

Mr. LIEBERMAN. Mr. President, I know the Senator from Maryland, Mr. CARDIN, is on his way to the floor to make a statement. Pending that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARDIN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARDIN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RACIAL PROFILING

Mr. CARDIN. Mr. President, I take this time to inform my colleagues of a hearing that took place this morning before the Subcommittee on the Constitution, Civil Rights and Human Rights of the Senate Judiciary Committee, chaired by Senator DURBIN. Senator DURBIN has been a leader in this body on making sure we have a

committee that focuses on the issues of human rights. Today's hearing on racial profiling, ending racial profiling in America, was the first hearing we have had in Congress on racial profiling since the attack on our country on September 11. I congratulate Senator DURBIN for holding this hearing. I thought the hearing was very informative as to a problem we have in America on the use of racial profiling.

I know the Nation has been focused on the tragedy that took place in Sanford, FL, in which 17-year-old Travon Martin was killed, a clearly avoidable death, by Mr. Zimmerman. We first and foremost want to make sure justice prevails in this case. I know there is a case pending in Florida. We are all going to be watching that very carefully. There is a Federal investigation underway by the Department of Justice to look into circumstances concerning Travon Martin's death, to see what role race played in regard to that tragedy, not only as it related to Travon Martin's death but also as to the investigation that ensued.

A few weeks ago, I spoke about this issue at the Center for Urban Families in Baltimore. That is a group that is interested in urban family life. We came together shortly after Travon Martin's tragic death to talk about what had happened.

I was very much moved by so many people who came forward at that meeting and explained how they had been victims of racial profiling. A young woman talked about the time she went to a basketball game with her father and her father was pulled over and stopped by police for no apparent reason other than the color of his skin and how that impacted this girl, seeing her father held, unable to go to the basketball game. These types of victimization occur too frequently in our community, where people are picked out solely because of their race, their religion, their ethnic background.

We have a problem in this country, and we need to do something about that. The question that needs to be answered in regard to Travon Martin is was he initially pursued because of the color of his skin. Would Mr. Zimmerman have done the same if it was a White child rather than an African American?

In October of 2011, I introduced S. 1670, the End Racial Profiling Act. I am proud to have many colleagues as cosponsors, including Senator BLUMENTHAL, Senator BOXER, Senator DURBIN, Senator GILLIBRAND, Senator JOHN KERRY, Senator LAUTENBERG, Senator LEVIN, Senator MENENDEZ, Senator MIKULSKI, Senator HARRY REID, Senator STABENOW, and Senator MARK UDALL. I thank my cosponsors for joining me in this legislation.

This legislation would make it clear that racial profiling will not be allowed in this country. Racial profiling is un-American. It is against the values of our Nation. It is contrary to the 14th amendment of the Constitution, which