

S. 1631

At the request of Mr. SANDERS, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1631, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to modify certain provisions relating to multiemployer pensions, and for other purposes.

S. 1632

At the request of Mr. INHOFE, his name was added as a cosponsor of S. 1632, a bill to require a regional strategy to address the threat posed by Boko Haram.

S. 1867

At the request of Mr. SHELBY, the names of the Senator from Texas (Mr. CORNYN) and the Senator from Arkansas (Mr. BOOZMAN) were added as cosponsors of S. 1867, a bill to protect children from exploitation by providing advance notice of intended travel by registered sex offenders outside the United States to the government of the country of destination, requesting foreign governments to notify the United States when a known sex offender is seeking to enter the United States, and for other purposes.

S. 1890

At the request of Mr. HATCH, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 1890, a bill to amend chapter 90 of title 18, United States Code, to provide Federal jurisdiction for the theft of trade secrets, and for other purposes.

S. 1911

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1911, a bill to implement policies to end preventable maternal, newborn, and child deaths globally.

S. 1945

At the request of Mr. CASSIDY, the names of the Senator from Alaska (Ms. MURKOWSKI) and the Senator from Connecticut (Mr. BLUMENTHAL) were added as cosponsors of S. 1945, a bill to make available needed psychiatric, psychological, and supportive services for individuals with mental illness and families in mental health crisis, and for other purposes.

S. 1966

At the request of Mr. BOOZMAN, the names of the Senator from New Jersey (Mr. MENENDEZ), the Senator from Oregon (Mr. MERKLEY), the Senator from Virginia (Mr. KAINE), the Senator from New Jersey (Mr. BOOKER) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 1966, a bill to amend the Richard B. Russell National School Lunch Act to require alternative options for program delivery.

S. 2001

At the request of Ms. AYOTTE, the name of the Senator from Colorado (Mr. BENNET) was added as a cosponsor of S. 2001, a bill to phase out special wage certificates under section 14(c) of the Fair Labor Standards Act of 1938

that allow individuals with disabilities to be paid at subminimum wage rates.

S. 2015

At the request of Mr. ALEXANDER, the names of the Senator from West Virginia (Mrs. CAPITO), the Senator from North Dakota (Mr. HOEVEN) and the Senator from Nevada (Mr. HELLER) were added as cosponsors of S. 2015, a bill to clarify the treatment of two or more employers as joint employers under the National Labor Relations Act.

S. 2032

At the request of Mr. HOEVEN, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 2032, a bill to adopt the bison as the national mammal of the United States.

S. 2042

At the request of Mrs. MURRAY, the names of the Senator from Ohio (Mr. BROWN), the Senator from Vermont (Mr. SANDERS) and the Senator from Massachusetts (Mr. MARKEY) were added as cosponsors of S. 2042, a bill to amend the National Labor Relations Act to strengthen protections for employees wishing to advocate for improved wages, hours, or other terms or conditions of employment and to provide for stronger remedies for interference with these rights, and for other purposes.

S. RES. 143

At the request of Mr. MENENDEZ, his name was added as a cosponsor of S. Res. 143, a resolution supporting efforts to ensure that students have access to debt-free higher education.

S. RES. 217

At the request of Mr. BLUMENTHAL, the names of the Senator from Connecticut (Mr. MURPHY) and the Senator from New Mexico (Mr. HEINRICH) were added as cosponsors of S. Res. 217, a resolution designating October 8, 2015, as "National Hydrogen and Fuel Cell Day".

AMENDMENT NO. 2656

At the request of Mr. SULLIVAN, his name was added as a cosponsor of amendment No. 2656 proposed to H.J. Res. 61, a joint resolution amending the Internal Revenue Code of 1986 to exempt employees with health coverage under TRICARE or the Veterans Administration from being taken into account for purposes of determining the employers to which the employer mandate applies under the Patient Protection and Affordable Care Act.

At the request of Mr. MCCONNELL, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of amendment No. 2656 proposed to H.J. Res. 61, supra.

At the request of Ms. MURKOWSKI, her name was added as a cosponsor of amendment No. 2656 proposed to H.J. Res. 61, supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CARPER:

S. 2051. A bill to improve, sustain, and transform the United States Postal Service; to the Committee on Homeland Security and Governmental Affairs.

Mr. CARPER. Mr. President, one of the factors in creating a favorable environment for job creation and job preservation is, of all things, something that has been around for 200 years to 225 years, and that is the U.S. Postal Service. Not many people think of the Postal Service as part of the engine that helps drive our economy, but it is.

There are 7 to 8 million jobs that flow directly from work directly involved or indirectly involved with the Postal Service—7 to 8 million jobs. For a number of years, the Postal Service has been losing money. There are a lot of questions about whether they will be able to make it, whether they will be able to survive, whether they are going to contribute or simply fold up and go away.

So I would note that another priority of mine for years has been postal reform. My dance partner on this for a number of years was Senator SUSAN COLLINS, a Republican and a very capable leader, and for the last several years Tom Coburn, a Republican from Oklahoma—Dr. Coburn—who retired at the end of last year. We have worked with a lot of folks—Democrats and Republicans in the House and Senate—in the last couple of years to try to find a way not just to make the Postal Service relevant but to enable them to be successful. And one of our real challenges has been how to take a 200-plus-year-old network—a legacy delivery network that goes to every mailbox in this country, business or residential—and enable them to make money in a digital age in the 21st century.

A lot of us are buying stuff differently than we used to. We are paying our bills differently than we used to. We don't send a whole lot of first-class mail the way we used to.

When I was a naval flight officer in Southeast Asia for three tours, the best day of the week was when the mail came. We would get all kinds of letters from home. We would get all kinds of postcards, birthday cards—you name it—Father's Day cards, and Valentine's Day cards. We would get magazines, and we would get newspapers. It was the best day of the week. Today, our folks in the Armed Forces are deployed to Afghanistan or other places around the world, and they still get mail, but it is not as important for them as it was for us because they have Skype, they have cell phones, and they have the Internet. They have other ways to communicate.

The challenge for the Postal Service has been, in a day and age where we communicate very differently than we did during the last war—than we do, say, in the war we have been involved in in Afghanistan for some time now—how do they make money? How do they remain relevant? They are starting to

get it. The Postal Service today—I think it was at 3 a.m. this morning—the Postal Service, in 33 ZIP Codes in San Francisco, delivered groceries. They use vehicles that otherwise would have been used between 3 a.m. and 7 a.m. The folks who work for the Postal Service have access to apartments and high rises to actually deliver groceries. And I think they are delivering for Amazon in those 33 ZIP codes. I think they have been trying it out for a while, and things are going pretty well. The Postal Service has turned around and has contacted 100 other grocery chains around the country. They said: This is what we are doing for Amazon, and we could probably do this for you and help you and help serve customers in a different kind of way.

This morning, in a place in Delaware, just around Middletown, DE, which is north of Dover, the Postal Service, literally during the middle of the night—or rather Amazon with the Postal Service in the middle of the night combined to take items from that Amazon distribution center in Middletown, DE, and literally drop off, all over the Northeast, the mid-Atlantic—all over the region—drop off items that are going to be delivered today. These are all kinds of products that were ordered through Amazon yesterday on the Internet, by phone, and so forth, and they are being delivered literally today. The Postal Service has a big hand in that.

Also, we have FedEx and UPS. A lot of folks think of FedEx and UPS as competitors of the Postal Service, and in a way they are, but they are also very good partners together. It works this way. FedEx doesn't want to deliver to every mailbox in the country, especially in the more rural areas where there is a lot of separation and, frankly, it is costly to do that. FedEx doesn't want to do it, and UPS doesn't want to do it. But guess who goes every day—6 days a week, sometimes 7—to pretty much every mailbox in the country? It is 6 days a week. Well, it is the Postal Service. So there has been a partnership for a number of years now where the Postal Service delivers for UPS and for FedEx the last mile, the last 2 miles, the last 5 miles, 10 miles, the last 20 miles. The Postal Service makes some money doing that, and it helps FedEx and UPS maybe save some money. And when the Postal Service sends its packages by air mail, it actually will partner with FedEx or UPS in order to be able to move its products around the country in an expeditious way.

So those are some things that are happening around the country that most people aren't thinking about or mindful about, some ways the Postal Service is becoming more involved in the digital age.

Christmas is still 3 months or so away, but as people start thinking about Christmas shopping, holiday shopping, in a lot of cases they are going to get on the phone and get on

the Internet and order. Those packages they are ordering are going to have to be delivered by somebody, and the Postal Service is one of those somebodies.

I think the last time we saw the numbers—while first-class mail continues to trend down by a couple of percent per year, what is going up—I think the last time we saw 12 to 14 percent a year—is delivery packages and parcels. So the Postal Service is finding out how to be relevant even in the digital age in ways they haven't thought about before.

There are other things they could do. Among those things is they could deliver wine and beer. UPS does that, and FedEx does that. The postal service does that in Australia. I think they make maybe \$5 billion a year doing that. I would like to say Australia doesn't have as many people as we do; they just drink more. But there is lots of money to be made by the Postal Service here, and I don't know of any reason why we shouldn't allow them to be involved in that business as well, with appropriate safeguards and as long as States approve of that activity.

Those are some things I would mention about the Postal Service.

The other thing I would say is that over the past couple of years, even though we found it difficult to pass legislation, one of the things the Postal Service has done on their own is they have tried to rightsize the enterprise to reflect the delivery—less—of first-class mail and the delivery of a little bit lower amounts of what we call standard mail, which could be nonprofits using the mail, it could be for-profits, it could be all kinds of stuff, but it is not first-class mail.

But one of the things the Postal Service has sought to do is to look at their workforce and say: In a day and age when we have to deliver a lot less mail, do we still need the same number of full-time employees?

They decided the answer is no, and I think their full-time equivalents are I would say down by a third from where it was about a decade ago.

The number of mail-processing centers across the country is down by about half, from maybe 600 to 300.

The number of post offices really hasn't changed a whole lot. They have over 30,000, maybe closer to 40,000 post offices around the country, some active, large, vibrant, and some small, rural, not a lot of activity, but important to those communities.

What the Postal Service has done with a number of their smaller post offices is basically they have said to the communities: You know, there is not a lot going on in your post offices. Are the amount of stamps and revenues generated by post offices really enough to make it worthwhile to run this post office 6 days a week, 8 to 10 hours a day?

What they have done is they have sort of presented a menu—the Postal Service has presented a menu to com-

munities and said: You can't have a 6-day-a-week, 8- to 10-hour-a-day post office in your community, but you can have a post office if you want, maybe 4 hours a day, 6 hours a day.

The person running it would be maybe a contract employee, maybe not a full-time employee with full benefits but someone maybe making \$15 an hour. For some people, that is pretty good money. And then the communities would still end up with their post offices. Or maybe the post office should be a rural letter carrier driving around on his or her route in the rural part of a county or a State. It would literally be a post office on wheels, a little bit like a bookmobile was when I was a kid growing up. Everybody on that route would know that rural letter carrier was going to be here or there throughout the day and be there to take packages or to provide stamps or to send mail or to provide services that you would normally get in a post office in a more urban, suburban area.

But long story short, the Postal Service has done a fair amount to reduce—I am tempted to call it—the size of their enterprise and the cost of their enterprise. There are fewer full-time-equivalent employees, fewer mail-processing centers. And while they still have a lot of post offices, a number of them—maybe one out of every five or so, one out of every four—is a post office that may be open 2 hours a day, 4 hours a day, 6 hours a day instead of 8 hours a day or 10 hours a day.

Today I am introducing legislation that seeks to enable the Postal Service, which is still—actually, if you didn't consider one factor, which is that the Postal Service is required by law to put money aside to meet a liability that most private companies and almost every State and local government and the Federal Government, too, have not addressed, and that is the health care liability of their pensioners.

Back in the late 1990s when I was Governor of Delaware—we had worked for years—Governor Pete DuPont, Governor Mike Castle, and my administration—to move from the State with the worst credit rating in America to a State with an AAA credit rating. In my next to last year as Governor, 1999, Delaware—in 1977 we had the worst credit rating in the country, and in 1999 we earned AAA credit ratings across the board—Standard & Poor's, Moody's, and Fitch. It was a day of great jubilation. But even after they awarded us our AAA credit ratings, they said to us: You have a problem, Delaware. And as it turned out, so did 49 other States. That is because while we had a fully funded pension fund, we had not set aside any money for a significant cost of the pensioners, and that is their health care costs once they reached the age of 65. And most employers in the country, those employers of any consequence, when their retirees reach the age of 65, and DuPont company is a great example—my

wife had a wonderful 27-year career with them, but when DuPont's retirees reach the age of 65, the DuPont company doesn't say: To heck with you. We are going to forget you.

They still try to meet their moral obligation to provide their employees a pension and access to health care. Part of that is Medicare. DuPont, and frankly almost any company of any consequence, says to their employees reaching the age of 65: Alright, you are 65, you are eligible for Medicare Part A, Medicare Part B, Medicare Part D, and we expect retirees 65 or older to use it—to sign up and use it. It is a requirement. And if that doesn't cover all their medical needs—and it probably will not—a lot of companies will continue to provide a wraparound supplemental program to fill in the holes that are left unfilled by Medicare Part A, Part B, and Part D.

Well, as it turns out, postal retirees, when they reach the age of 65 and are eligible for Medicare, most of them sign up for Medicare Part A, a majority sign up for Medicare Part B—one of those is hospital care and the other inpatient and the other outpatient doctor care—but almost none of them sign up for Medicare Part D, as in “delta.” Part D is a drug program for Medicare that has been around for close to 13, 14 years now. It has been a huge success—a huge success.

But while the postal service pays into Medicare, I think more than maybe any other employer in the country—they pay more money, I think, than any other employer in the country. I think the postal service is their No. 1 or No. 2 business in terms of full-time employees. And while they pay a ton of money into Medicare, they do not get full value. In fact, in effect, the postal service is actually overpaying to bring down the Medicare costs for other employers, including FedEx and UPS and DuPont, for that matter.

So the question is: Is that right? Is that fair? Is that equitable to the postal service? Is it fair to their employees and their pension? I don't think so, and neither did Dr. Coburn in the last Congress when we offered legislation that said this should be fixed. The postal service ought to be treated like other companies. They ought to be able to get full value for the contributions they make into Medicare.

That is something that should be part of postal reform legislation. It is part of the legislation I am introducing today, and it was part of the legislation we introduced a year ago.

Another important part of the legislation we are introducing today deals with the rates the postal service can charge. There was something after the last recession called an exigent rate case. The postal service's businesses were badly damaged. A lot of businesses that used first-class mail fled first-class mail and found a way to use the Internet and to replace the use of first-class mail, which had a severely damaging impact on the postal service.

The postal service asked for an exigent rate case, which gave them an opportunity or a way to raise their rates a bit. The question is, Is that going to be forever or is it going to go away?

We have been negotiating, with the help of a guy named John Kane, a member of our staff on the Committee on Homeland Security and Governmental Affairs, an agreement with the postal service and with some mailers and others that are interested in these issues to enable the exigent rate case to stay in place for a couple more years, and then we will go through a new process or an existing process to establish a new postal rate for the postal service to charge. But this provides some stability over the next couple of years.

I will not go through the whole bill, but let me just say that the idea behind our legislation is to enable the postal service to have reasonable revenues to be successful, to enable them to be treated fairly and I think equitably with respect to their payments into Medicare for their retirees, to also enable them to be more creative, and to find ways to use that 200-plus-year-old distribution network in order to make money—in order to make money.

There are lots of other ideas as well, with the kind of stuff that happened this morning in those 33 zip codes in San Francisco and the kind of work that will happen tonight at the Amazon distribution center in Middletown, DE, and a lot of other places on this side of the United States.

This is legislation I am introducing on my own. We have worked with stakeholders, which includes certainly the postal service, certainly includes a lot of the customers—not every one of their customers—and includes the employee groups—the unions, the groups that represent postmasters—and other people as well—regular customers, residential customers, business customers. So we are introducing legislation, and my hope is that it will serve as a catalyst for a good conversation and a much needed consensus to say this is where we are headed on postal reform in 2015 and beyond.

I have never introduced a perfect bill, and I am not introducing probably a perfect bill now. But I think it is a pretty piece of legislation. We have listened to a lot of folks, and we have listened to a lot of folks who serve here with us in the Senate—Democrats, Republicans, folks on the committee and off the committee—and it is my hope we will have a chance to kick the tires on this new piece of legislation I have introduced and somewhere fairly soon be able to have a hearing so folks can come and say: This is what I like about it or don't like about the legislation, and they will decide ways to make it even better.

I like to say that everything I do I know I can do better. But as it says in the Constitution, “in order to form a more perfect union”—in the preamble of the Constitution, “in order to form a

more perfect union”—our goal will be to form a more perfect postal service and hopefully form a more perfect piece of legislation. The real goal is to enable the postal service to be more successful—to enable them, and not be running them down all the time.

We have great people who work for the postal service. They deliver mail in my neighborhood and probably yours as well. There are folks who are going to work right now in the postal service. They will be up late tonight sorting mail and making sure it will be ready to be delivered tomorrow. We have people who will be working tomorrow and Saturday delivering the mail. We will have folks delivering some mail, priority mail, some of it on Sunday. The postal service is not just a 6-day operation today. They deliver a lot of packages and parcels now on Sunday.

Our legislation is designed to enable those folks to be more innovative, to unleash the innovative spirit within the postal service, and to bring ideas in from a lot of other folks to help the postal service in that regard.

I think that pretty well covers my talking points. Mr. President, I ask that, after you have had a chance to get a good rest this weekend, to maybe take a look. I will come and visit you, maybe tell you what we are doing here, and see if you would like to join us somewhere down the road as a cosponsor or at least be a constructive critic. Either role would be very welcome.

Today I am introducing the Improving Postal Operations, Service and Transparency Act of 2015, known as the iPOST Act. As my colleagues here in the Senate know, the way we communicate as a society has changed dramatically over the past 20 years. Instead of sending a letter to loved ones overseas, we send a Facebook message or Skype. Instead of sending our bills every month, we go online and enter our billing information. Instead of flipping through a catalogue, we visit the retail store's website. But while the way we communicate and conduct business has changed, we still require a vibrant, financially sound, and sustainable postal system. The United States Postal Service continues to be a critical enabler of communications and commerce that maintains a unique delivery network that connects every community, town, and city in this country and with posts around the world.

The Postal Service is a more than 200 year-old institution that today serves as the linchpin of a \$1 trillion dollar mailing industry employing more than 8.4 million people. It is the nexus between consumers and businesses as diverse as Hallmark, Amazon, small town newspapers, and mail-order pharmacies. Over the years, the Postal Service has been a resilient institution that has consistently adjusted with the times and adapting when necessary to remain a vital part of our Nation's economic infrastructure and really our everyday lives. Many would agree that,

though much has changed in our country and our economy since the formation of the Postal Service, the need for an efficient and secure transfer of communications and goods has not. Nevertheless, the growing trend toward digital communication, the Postal Service's significant long-term financial liabilities, and the continued decline of First Class mail volume are threatening the future viability of this federal establishment enshrined in the Constitution. Thus, it is incumbent upon Congress to give the Postal Service the tools necessary to address its growing costs and modernize so it can remain relevant for generations to come.

Two American industries that have also undergone major disruption in the past and survived to live another day offer parallels to the Postal Service's current predicament. The U.S. freight rail industry faced disruption from the trucking industry and had significant overcapacity beginning in the 1950s. Three interrelated components helped the freight rail industry recover: a focus on improving productivity, containing costs, and generating revenue. Likewise, the U.S. auto industry has faced similar challenges: overcapacity, too many suppliers, and a declining market share. The freight rail and auto industries both have come roaring back to life and profitability. But it's important to note that they did so in part thanks to helpful legislative reform.

While containing costs, generating revenue, and improving productivity are certainly part of the postal reform equation and something postal management must continue to focus on, we must do our part to bring badly needed structural reforms to the Postal Service's business model and ensure long-term stability in the years to come.

Originally, the Postal Service was a federal department that required annual appropriations from Congress. In 1971, Congress passed legislation to make the Postal Service an "independent establishment of the executive branch," designed to run as a self-sustaining entity that would cover its operating costs with revenues produced through sales, including postage and related products and services. Hence, the modern version of the Postal Service was born.

As time passed, Postal Service reforms became necessary to create stability in the agency and to ensure that the American taxpayer and the business community would continue to benefit from its products and services. In an effort to address these needs, Congress enacted the Postal Accountability and Enhancement Act of 2006, PAEA. When PAEA was signed into law a decade ago, First-Class Mail volume was peaking at 213 billion pieces, the postal workforce was composed of almost 700,000 career employees and the e-commerce market was in its infancy with a value of just over \$100 billion annually.

Unfortunately, passage of the PAEA came at the cusp of immense change in

the mailing industry, and also our economy as a whole. The significant advancement in digital communication that continued through the recession, the steady decline in First-Class Mail and Standard Mail volume, and the rising costs associated with longstanding healthcare and retirement obligations created a tumultuous relationship between Postal Service revenues and costs.

In the decade since passage of PAEA, total Postal Service mail volume has fallen some 27 percent to 155 billion pieces, the career workforce is 30 percent smaller and the booming domestic e-commerce market is now valued at more than \$300 billion. The effects of the Great Recession in 2008 had a tremendous impact on the mailing industry, and by extension the Postal Service's bottom line. To combat these effects, the Postal Regulatory Commission approved a temporary emergency rate increase, which has been the primary reason for the Postal Service's positive operating income over the past 2 years.

I have worked on postal issues with various colleagues for a large part of my time in the United States Senate. Further, I have been working on postal reform diligently since 2010 when it became apparent that the future of the Postal Service was in jeopardy. Last Congress, former Senator Tom Coburn and I introduced a package that we felt moved the Postal Service forward and solved the long term problems that plague it. Unfortunately, that bill did not pass and in January the Postal Service was forced to change its delivery standards. Since then, service has noticeably declined.

I have worked diligently with my colleagues and a wide range of postal stakeholders including postal consumers, the mailing industry, postal labor unions, and Postal Service leadership for the last eight months on a compromise proposal. The legislation I have introduced is a starting point in making sure the Postal Service remains relevant in the digital age by achieving financial viability and better meeting our communication and commerce needs. I will continue to work with all interested parties, my colleagues in the Senate and the House, including Chairman RON JOHNSON of the Homeland Security and Governmental Affairs Committee, and the Administration to build on, perfect, and revise this legislation going forward. I am confident that the Postal Service can turn this corner and remain relevant in the decades to come, but it is going to take collaboration, communication, and compromise from all stakeholders and Congress to make that happen.

The Improving Postal Operations, Service and Transparency Act, iPOST Act, will set the path to make solvency possible and fix the Postal Service's financial and other challenges for the long-term. In particular iPOST Act would ensure that our federal pension

systems recognize the differences between the postal and non-postal federal workforce to prevent the Postal Service from paying more than it owes into the federal retirement systems, as has happened in the past.

The iPOST Act would restructure the way the Postal Service funds its remaining liability for retiree healthcare by scrapping the existing, unaffordable payment schedule and replacing it with a system with realistic payment goals that would allow the Postal Service to invest over the next 10 years in a more lucrative TSP-like account. Combined, these provisions would help the Postal Service and taxpayers by paying down the Postal Service's long-term retiree health obligations sooner.

The iPOST Act would create a Postal Service Health Benefits Program, PSHBP, within the Federal Employee Health Benefits Plan, FEHBP, and require that all Medicare-eligible postal annuitants and employees enroll in Medicare parts A, B, and D. This would ensure better coordination between PSHBP and Medicare than we see with FEHBP and Medicare today and allow the Postal Service to reap the full benefit of the resources it and its employees pay into Medicare.

The iPOST Act would require an independent analysis of the recent network changes put into place by the Postal Service and how service can be improved, particularly in rural areas. The bill further proposes a pause in the Postal Service's network optimization efforts for 2 years for plants and 5 years for post offices to ensure a stabilization of service for all postal customers.

The iPOST Act would provide customers big and small with better transparency into how the Postal Service performs for them regardless of whether they live in a large city, a suburban development, or a remote rural area.

The iPOST Act would make the current temporary emergency rate increase permanent while freezing any further rate increases until a new rate system can be established by the Postal Regulatory Commission by January 1, 2018.

The iPOST Act would allow the Postal Service, based on meeting certain conditions, to introduce new non-postal products and services, ship beer, wine and distilled spirits, and partner with State and local governments in providing government services.

In introducing this bill, I invite all interested stakeholders from around the country, whether they happen to be residents of rural, urban, or suburban communities, businesses that use the mail broadly or individual customers of the Postal Service, to come to the table and work with Congress on a viable path forward. I encourage the mailing industry, the postal unions, and Postal Service management to continue to discuss reform measures and to view this bill as a possible path forward to consensus. To my colleagues on both sides of the aisle, I look forward to working with you to make

what I think is a good bill even better. Again, introduction is the first step in this process. I am committed to working together to find consensus on this legislation and fix the serious, but solvable challenges facing the Postal Service.

By Ms. COLLINS (for herself and Mr. CARDIN):

S. 2059. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes; to the Committee on Finance.

Ms. COLLINS. Mr. President, I rise to introduce the Civil Justice Tax Fairness Act of 2015. I am very pleased to be joined by my colleague from Maryland, Senator CARDIN, in introducing this bipartisan bill.

This bill would change the taxation of awards received by individuals that result from judgments in or settlements of employment discrimination and civil rights cases, and would apply to victims in cases including racial discrimination, sexual discrimination, and whistleblower discrimination. These changes would correct an inequity in current law and are designed to promote the fair and equitable settlement of such claims.

In 2003, I introduced the Civil Rights Tax Relief Act. In 2004, Congress adopted the most important part of that bill, allowing successful plaintiffs in civil rights actions to deduct the portion of their awards covering attorneys' fees from their annual incomes. This provision eliminated the double-taxation of such fees, which are still taxable income to the attorney. Two important provisions from my 2003 bill, which I will describe in a moment, have yet to be addressed, and the bill we introduce today would enact them.

The primary purpose of the bill we are introducing today is to remedy an unintended consequence of a 1996 law, which made damage awards that are not based on "physical injuries or physical sickness" part of a plaintiff's taxable income. Because most acts of employment discrimination and civil rights violations do not cause physical injuries, this provision has had a direct and negative impact on plaintiffs who successfully prove that they have been subjected to intentional employment discrimination or other intentional violations of their civil rights.

Our bill would remedy the unfair method of taxation of civil rights victims' settlements and court awards with respect to "frontpay" and "backpay," and with respect to the taxation of noneconomic damages. By way of background, I should explain that awards of compensation attributable to the difference between what the employee was paid and the amount he or she should have been paid are known as "backpay." "Frontpay" represents the

future wages and benefits that would have been paid had the former employee not been terminated or had the employee not been forced to resign.

Our bill contains two important reforms: First, award amounts for frontpay or backpay would continue to be included as taxable income, but would be eligible for income averaging according to the time period covered by the award. This correction would allow individuals to pay taxes at the same marginal rates that would have applied to them had they not suffered discrimination. Income averaging more fairly takes into account the person's financial standing apart from the lump sum of the award.

Second, the bill would also allow plaintiffs to exclude non-economic damages, amounts awarded for pain, suffering or other health effects, from their income, to treat employment and civil rights claims the same as claims that involve a physical injury.

The Civil Justice Tax Fairness Act would encourage the fair settlement of employment discrimination claims. Our legislation would allow both plaintiffs and defendants to settle claims based on the damages suffered, not on the excessive taxes that are now levied—taxation that adds insult to a civil rights victim's injury and serves as a barrier to the just settlement of civil rights claims.

I invite my colleagues to join Senator CARDIN and me in support of this bipartisan, common sense legislation.

Mr. President, I ask unanimous consent that a letter of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL EMPLOYMENT LAWYERS
ASSOCIATION,
SEPTEMBER 16, 2015.

Re: Introduction of the Civil Justice Tax Fairness Act

Hon. SUSAN M. COLLINS,
U.S. Senate,
Washington, DC.

DEAR SENATOR COLLINS: On behalf of the National Employment Lawyers Association (NELA) we commend and thank you for your leadership in introducing the Civil Justice Tax Fairness Act of 2015 (CJTFA). Your interest in this bill demonstrates the kind of vision that is increasingly rare—the vision that it is possible to find solutions to pressing problems that are beneficial to both America's workers and employers.

Founded in 1985, NELA is the largest professional membership organization in the country comprised of lawyers who represent employees in labor, employment, and civil rights disputes. NELA advances employee rights and serves lawyers who advocate for equality and justice in the American workplace. With 69 circuit, state, and local affiliates, NELA has a membership of over 4,000 attorneys working on behalf of those who have faced illegal treatment in the workplace. There has been unanimity among our members for nearly 20 years that passage of the Civil Justice Tax Fairness Act is a top legislative priority.

The CJTFA has significant ramifications for people who have been harmed by illegal treatment in their workplace. No one starts a new job with any thought that they will

find themselves in a subsequent legal dispute with their employer, yet this is unfortunately a reality for America's workers. The CJTFA, which has been known as the Civil Rights Tax Fairness Act and the Civil Rights Tax Relief Act in prior Congresses, is a "win-win" for both employees and business. Previous versions of the CJTFA garnered widespread support by a broad-based coalition of business, civil rights, and legal organizations such as the U.S. Chamber of Commerce (USCC), the Society for Human Resource Management (SHRM), the Leadership Conference on Civil and Human Rights (LCCHR), and the American Bar Association (ABA). At present, we have the support of the ABA and we know that many other organizations will be joining us in the near future.

The CJTFA will correct current inequities in tax treatment of settlements and awards received by individuals in employment and civil rights cases. Under current law, those who suffer noneconomic damages as a result of unfair employment practices pay taxes; those who suffer noneconomic damages as a result of physical injuries (such as from car accidents) do not. The CJTFA will correct this unfairness by excluding from gross income non-economic damages received in civil rights and employment cases.

Similarly, employees who have not lost wages pay taxes at the rates applicable to the actual wages they earned in each year. But if they receive back or front pay in a settlement or award, they must pay taxes on lump sum recoveries that represent multiple years of such pay—a patently unfair practice. The CJTFA will correct this unfairness by taxing lump sum recoveries as if they were received in the year earned and by providing an exemption from the alternative minimum tax (AMT) for any resulting tax benefit.

By making settlements less expensive and easier to achieve, the CJTFA will reduce the number of employment and civil rights cases that go to trial, freeing up valuable court resources for other matters. The CJTFA not only benefits the parties to employment disputes, but also America's taxpayers who must bear the costs associated with a less efficient judicial system.

On behalf of our 69 affiliates, 4,000 members, and the hundreds of thousands of employees they represent, we are extremely pleased that you are championing this important bipartisan, bicameral legislation. We look forward to working closely with you and your staff to gain passage of the CJTFA in the 114th Congress.

Sincerely,

TERISA E. CHAW,
Executive Director.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 257—CONGRATULATING CAPTAIN KRISTEN GRIEST AND FIRST LIEUTENANT SHAYE HAVER ON THEIR GRADUATION FROM RANGER SCHOOL

Ms. COLLINS (for herself, Ms. MIKULSKI, Ms. AYOTTE, Ms. BALDWIN, Mrs. BOXER, Mrs. CAPITO, Mrs. ERNST, Mrs. FEINSTEIN, Mrs. FISCHER, Mrs. GILLIBRAND, Ms. HEITKAMP, Ms. HIRONO, Mrs. MCCASKILL, Ms. MURKOWSKI, Mrs. MURRAY, Mrs. SHAHEN, Ms. STABENOW, Mr. WARREN, Mr. PERDUE, Mr. MURPHY, Mr. KIRK, Mr. TESTER, Mr. FLAKE, Mr. REED, Mr. DONNELLY, Mr. GRASSLEY, Mr. BLUMENTHAL, Mr. ISAKSON, Mr.