



September 30, 2015

Oppose the Nominee Slate for the USPS Board of Governors

The Honorable Mitch McConnell, Majority Leader
United States Senate
Washington, DC 20510

The Honorable Harry Reid, Minority Leader
United States Senate
Washington, DC 20510

Dear Majority Leader McConnell and Minority Leader Reid:

On behalf of the undersigned organizations, we write to express our opposition to the confirmation of the current slate of nominees to the Board of Governors of the United States Postal Service (USPS).

It is our understanding that the Senate will consider as a package the four nominees approved by the Committee on Homeland Security and Governmental Affairs on May 6, 2015. Our organizations are in agreement that it would be preferable to continue with a stripped-down Board of Governors than to fill those vacancies with a slate that includes nominees whose policy stances would be harmful to the USPS and ultimately to the public it serves.

Given the harmful effects of payday lending on the communities we represent, and given the value of and need for a vibrant, public Postal Service that provides affordable, universal mail service to all – including rich and poor, rural and urban, without regard to age, nationality, race, or gender – we are especially troubled by the nominations of Mickey D. Barnett, who has previously worked as a lobbyist for the payday lending industry, and of James C. Miller, III, who dating back at least to his tenure as director of the U.S. Office of Management and Budget (OMB) from 1985-88, has strongly supported privatizing the Postal Service.

Our opposition to Mr. Barnett's nomination is based on his work on behalf of the New Mexico Independent Financial Services Association, where Mr. Barnett lobbied policymakers to oppose regulation of the state's payday loan industry.ⁱ His efforts included opposing a modest reform bill in New Mexico in 2007 that still allowed 400 percent annual rates on payday loans. He said that at that rate, "I guarantee you they can't make money."ⁱⁱ Several years later, Mr. Barnett represented the World Finance Corporation of New Mexico, a short-term lender, arguing that a customer was required to seek arbitration of any disputes – in this case, over the company's misleading and abusive debt collection practices – but that the company itself was not. The Supreme Court of New Mexico unanimously rejected Mr. Barnett's and his client's position as unconscionable.ⁱⁱⁱ

We are especially concerned about Mr. Barnett's ties with this industry, in the context of his reappointment, because of the close relationship between the USPS and the communities of color that have been disproportionately affected by payday lending and other predatory

Officers

Chair

Judith L. Lichtman
National Partnership for
Women & Families

Vice Chairs

Jacqueline Pata
National Congress of American Indians
Thomas A. Saenz

Mexican American Legal
Defense and Educational Fund

Hilary Shelton

NAACP

Treasurer

Lee A. Saunders
American Federation of State,
County & Municipal Employees

Board of Directors

Barbara Arnwine

Lawyers' Committee for
Civil Rights Under Law

Helena Berger

American Association of
People with Disabilities

Cornell William Brooks

NAACP

Lily Eskelsen Garcia

National Education Association

Marcia D. Greenberger

National Women's Law Center

Chad Griffin

Human Rights Campaign

Linda D. Hallman

AAUW

Mary Kay Henry

Service Employees International Union

Sherrilyn Ifill

NAACP Legal Defense and

Educational Fund, Inc.

Jo Ann Jenkins

AARP

Michael B. Keegan

People for the American Way

Samer E. Khalaf, Esq.

American-Arab

Anti-Discrimination Committee

Elisabeth MacNamara

League of Women Voters of the
United States

Marc Morial

National Urban League

Mee Moua

Asian Americans Advancing Justice |

AAJC

Janet Murguía

National Council of La Raza

Debra Ness

National Partnership for

Women & Families

Terry O'Neill

National Organization for Women

Priscilla Ouchida

Japanese American Citizens League

Rabbi Jonah Pesner

Religious Action Center

Of Reform Judaism

Anthony Romero

American Civil Liberties Union

Shanna Smith

National Fair Housing Alliance

Richard L. Trumka

AFL-CIO

Randi Weingarten

American Federation of Teachers

Dennis Williams

International Union, UAW

Policy and Enforcement

Committee Chair

Michael Lieberman

Anti-Defamation League

President & CEO

Wade J. Henderson

Executive Vice President & COO

Karen McGill Lawson



forms of credit. Because the USPS is located nationwide in both urban and rural areas, it serves as an important employer in these communities and a potential lifeline to other essential services. It is no surprise that a Gallup poll released in November 2014 shows that Americans deliver high marks to USPS, rated highest out of 13 major federal agencies.^{iv} This suggests the public's willingness to consider the USPS as a potential venue for an array of important financial services. We would be deeply troubled if anyone confirmed to a leadership position within the USPS used that position to promote the sorts of practices we have seen in the payday lending industry, or to block the advancement of alternatives.

Mr. Miller, on the other hand, has been clear about his own troubling preferences for the future of the U.S. Postal Service. As OMB Director in 1988, Miller stated, "There is no good reason why [the Postal Service] should remain part of the U.S. government and no good reason why it should enjoy a monopoly over the delivery of letter mail."^v Speaking at his 2012 Senate confirmation hearing on his second nomination to the board, Mr. Miller stated that "I think it would be best for the world, for the economy, and for the American people if the Postal Service was de-monopolized and privatized."^{vi} Our organizations believe that a public Postal Service is vital to our democracy and to commerce. While proponents of privatization point to cost savings and efficiency, recent examples such as the privatization of parking meters in Chicago cast serious doubt on these assertions.^{vii} Furthermore, recent studies show that outsourcing government functions lead to a weakened infrastructure, insufficient oversight, crumbling tax bases, and a decline in wages and benefits.^{viii} Privatization of our public Postal Service also undermines a fundamental tenet of democracy: a network that allows universal and affordable civic and political discourse, binding together each and every household in the country.

At a time when the future of the USPS is unclear, largely because of Congress's inability to pass a comprehensive reform bill, it is especially important that the Board of Governors be composed of individuals who have demonstrated a strong commitment to the public service role of this great institution, and who have shown an openness to exploring all reasonable, public service-oriented options which might contribute to the vitality and sustainability of the USPS. Unfortunately, on this basis, we must urge you to reject the current slate of nominees.

Thank you for your consideration of our views. If you have any questions, please contact Rob Randhava, Senior Counsel at The Leadership Conference on Civil and Human Rights, at (202) 466-3311.

Sincerely,

Wade Henderson
President & CEO
The Leadership Conference
on Civil and Human Rights

Lee Saunders
President
American Federation of State, County and
Municipal Employees (AFSCME)

Richard Trumka
President
American Federation of Labor-Congress of
Industrial Organizations (AFL-CIO)

Mark Dimondstein
President
American Postal Workers' Union (APWU)



Lisa Donner
Executive Director
Americans for Financial Reform

Mike Calhoun
President
Center for Responsible Lending

Hilary Shelton
NAACP Washington Bureau Director &
Senior Vice President for Advocacy and Policy

Melanie Campbell
President & CEO
National Coalition on Black Civic Participation

Janet Murgía
President & CEO
National Council of La Raza

Marc Morial
President
National Urban League

Mary Kay Henry
President
Service Employees International Union (SEIU)

ⁱ Steve Terrell, Payday-Loan Money Attracts the Elite of New Mexico Lobbying, The Santa Fe New Mexican, Mar. 6, 2005 at A-1.

ⁱⁱ Leslie Linthicum, A New Era in Payday Loans, Albuquerque Journal, Nov. 1, 2007, at <http://www.abqjournal.com/news/state/606966nm11-01-07.htm>

ⁱⁱⁱ Cordova v. World Fin. Corp., 146 N.M. 256 (N.M. 2009)

^{iv} Gallup poll, Nov. 11-12 2014, at <http://www.gallup.com/poll/179519/americans-rate-postal-service-highest-major-agencies.aspx> (survey of 1,020 adults).

^v Judith Havemann, "Postal Chief Denounces Privatization Advocates," Washington Post, April 8, 1988.

^{vi} Nominations of Hon. James C. Miller III and Hon. Katherine C. Tobin, Hearing before the Committee on Homeland Security and Governmental Affairs, U.S. Senate, June 21, 2012.

<http://www.gpo.gov/fdsys/pkg/CHRG-112shrg75218/html/CHRG-112shrg75218.htm>

^{vii} Fran Spielman, "Emanuel to Introduce Privatization Rules to Avoid Repeat of Parking Meter Debacle," Chicago Sun-Times, July 28, 2015.

^{viii} Daphne T. Greenwood, The Decision to Contract Out: Understanding the Full Economic and Social Impacts. Colorado Springs: Colorado Center for Policy Studies, 2014.