Congress of the United States

Washington, DC 20515

October 3, 2024

Board of Governors United States Postal Service 475 L'Enfant Plaza, SW Washington, D.C. 20260

Dear Chairman Martinez and Members of the USPS Board of Governors:

We write to bring to the attention of the Board of Governors severe deficiencies in United States Postal Service (USPS) operations that risk the security of the mail and mail facilities and threaten the safety of postal employees and members of the public.

The Board of Governors is responsible for overseeing the operations of the USPS, setting the strategic direction of the USPS, approving important and significant USPS policies, and holding USPS leadership accountable to upholding the mission of one of our nation's most prized assets.

As such, we bring to your attention for immediate action a series of recent reports by the USPS Office of Inspector General (OIG), which have identified serious lapses in existing postal operations and a glaring lack of oversight by the USPS over its own facilities and contracted suppliers and services. The concerns raised by the OIG can be grouped into three primary categories: access to postal facilities, contract trucking safety, and repeated violations of federal wage laws under the purview of USPS contracts.

- 1. Access to Postal Facilities: The OIG's September 2023 audit, "Transportation Workplace Safety and Driver Security," revealed that a significant portion of drivers accessing USPS facilities were not properly vetted according to existing security procedures and lacked valid identification badges. This report found that between 72% and 88% of drivers were found to be without appropriate clearance, putting both postal employees and mail security at risk. The OIG's February 2024 audit, "Contract Trucking Safety and Compliance" revealed that this lack of driver vetting remained persistent and particularly problematic for suppliers operating on the Postal Service's freight auction. As of the OIG's August 2024 audit, this issue remains unresolved.
- 2. **Contract Trucking Safety**: The February 2024 audit, "Contract Trucking Safety and Compliance," also identified a failure to track serious and fatal crashes involving contract trucking services. The OIG recommended that the USPS establish immediately a method for tracking contractor crash and fatality data, a recommendation codified in the Mail Traffic Deaths Reporting Act.² Consistent with the September 2023 audit, the OIG also reported that USPS does not maintain adequate records on who is authorized to transport mail and does not enforce proper vetting procedures drivers, particularly for

¹ USPS Office of Inspector General. *Transportation Workplace Safety and Driver Security* (Report Number 23-055-R23), - September 26, 2023. *Contract Trucking Safety and Compliance* (Report Number 23-088-R24) - February 27, 2024. *Evaluation of Freight Auction* (Report Number 23-162-R24) - August 6, 2024.

² Mail Traffic Deaths Reporting Act, H.R. 7527. 118th Congress. Rep. Gerald E. Connolly. March 5. 2024.

freight auction suppliers. As we have seen in public reporting over the last several years, these safety lapses lead to serial violation of safety standards and preventable deaths.³

3. Pattern of Wage Violations Under USPS Watch: The August 2024 OIG audit, "Evaluation of Freight Auction," revealed a troubling pattern of wage violations within USPS's contracting system, which increasingly awards contracts through the use of freight auctions. Many of these low-cost contracts are possible, in part, because workers are being underpaid in violation of the Service Contract Act. These violations are being exacerbated by the Postal Service's own failure to comply with the Service Contact Act by failing incorporating the relevant, required minimum wage determinations and fringe benefits in contract solicitations. USPS's cost-cutting approach has facilitated these wage violations without regard for the quality of outcomes, rewarding contractors for cutting corners. While not a direct safety or security concern, this issue contributes to a culture that deprioritizes safety and security by encouraging unlawful business practices and incentivizing contractors to reduce costs at any expense.

This pattern of wage violations reflects a broader issue within USPS: a focus on low-cost contracts, principally via its freight auction board, without concern for the quality of outcomes. While cost-cutting is not inherently bad, it becomes deeply problematic when done with disregard for the law, safety, and security. Freight auction spending has surged, with projections reaching \$1 billion this year—a 628% increase since 2022. As utilization of freight auctions increases, oversight continues to lag, exacerbating the safety risks, security gaps, and labor concerns identified in recent audits. For example, the OIG's February report found that, for drivers under these contracts, screening protocols are often inconsistent or entirely absent.

Although the Postal Service has taken some steps to improve safety and oversight since last year, serious issues remain. USPS's lack of oversight in favor of low-cost freight auction contracts has led to security lapses, such as insufficient driver vetting, and compromised safety standards for contract trucking, increasing the risk of accidents and endangering both postal employees and the public. Without urgent corrective measures, these failures will continue to compromise the safety of postal employees, the security of the mail, and public trust in the USPS.

The Board of Governors must ensure the USPS addresses the issues noted above swiftly. Public trust in the Postal Service depends on maintaining safe and secure operations, and the growing use of unaccountable contracting practices threatens to undermine that trust. We urge immediate action to address the OIG's findings and ensure that modernization does not come at the expense of safety, security, and legal wage rates.

To better understand the scope of these oversight failures and monitor the steps that the Postal Service will take to address them, we request answers to the following questions:

1. Does the Postal Service currently have a record of every driver and carrier (i.e. trucking company), including subcontracted carriers, that accessed Postal Service facilities in FY 2022, FY 2023, and FY 2024?

³ "Trucks Hauling U.S. Mail Frequently Violate Safety Rules. Crashes Killed 79 People Since 2020." *Wall Street Journal*, March 1, 2023. https://www.wsj.com/articles/trucks-mail-violate-safety-rules-deadly-crashes-8b9a4c92.

- 2. Does the Postal Service know how many drivers it has permitted to access its facilities without a postal-issued ID security badge and how many of those drivers would have qualified for a badge after completing the nonsensitive security clearance and driving record review?
- 3. Does the Postal Service uniformly record the driver's license, or the information contained therein, for those individuals that access postal facilities without first obtaining a postal badge, how is that information stored, and has any analysis of that data ever been performed to determine if these drivers would qualify for a postal-issued photo ID security badge?
- 4. Does the Postal Service maintain a do-not-use carrier or driver list and does the Postal Service share that list with its transportation contractors to ensure that unsafe subcontractors are not utilized?
- 5. How many traffic fatalities have occurred involving Postal Service transportation contractors and subcontractors, respectively, in FY 2021, 2022, 2023, and 2024, and are these companies still performing transportation services for the Postal Service? Are those incidents reported to the Board of Governors?
- 6. Have the measures cited in the Postal OIG's February 2024 report on Contract Trucking Safety regarding implementation of a process and method for tracking contractor crash and fatality information, along with written instructions regarding policy and procedure, been completed given the target date of July 31 provided in the report?
- 7. Was the Board of Governors aware of the Postal Service's intention to use its freight auction board for routine trips or given a projection that the Postal Service would spend approximately \$1 billion in FY 2024 on the freight auction board to contract transportation?
- 8. Was the Board of Governors aware of the Postal Service's intention to abandon its postal-issued ID security badge process for contractors operating on the freight auction board and did the Board of Governors agree with or authorize this policy decision? Did the Board of Governors, collectively or individually, express any concern about the potential consequences of this policy decision in light of the significant increase in freight auction utilization?
- 9. Why has the Postal Service failed to comply with the requirements of the Service Contract Act after receiving the Department of Labor's denial of its requested exemption on February 22, 2022? How many freight auction contracts or trips in 2024 failed to include the SCA-required wage determination?
- 10. Does the Postal Service track criminal activity by transportation contractors or subcontractors, such as trailer theft, mail theft, or loading commercial freight in sealed trailers carrying mail? If so, how many such incidents occurred in FY 2021, 2022, 2023, and 2024 and what types of incidents occurred?

Thank you for your service to the USPS and for your immediate attention to issues raised in this correspondence.

Sincerely,

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