



March 31, 2020

The Honorable Steven T. Mnuchin  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington DC 20220

Dear Secretary Mnuchin:

I write on behalf of the Package Coalition, a diverse group of leading American retail and ecommerce companies that support fair competition in the package delivery business and the preservation of affordable, reliable postal package delivery services, to urge that Treasury not impose onerous terms and conditions — including harmful policy changes — on the Postal Service in exchange for COVID emergency-related borrowing.

Congress recognized the critical role the Postal Service plays as part of the nation's economic infrastructure in the recently enacted CARES Act (Pub. L. 116-136). The CARES Act provided the Postal Service with an additional \$10 billion in borrowing authority to address operating losses caused by the COVID-19 crisis, subject to terms and conditions imposed by the Treasury. The Treasury should allow the Postal Service access to COVID emergency-related borrowing without conditions. It would be inappropriate for Treasury to use this emergency-related borrowing authority to force the Postal Service to implement harmful policy changes advocated by the President's Task Force on the U.S. Postal System.

Now is not the time to force the Postal Service to limit access to postal package delivery services. More than ever, Americans are relying on the Postal Service as a lifeline to deliver medicine, ecommerce products, and mail and package deliveries to connect people sheltering in their homes with their loved ones. In the near term, the Postal Service may play a critical role in distributing testing kits, stimulus checks and absentee ballots as Americans weather the challenges of the current crisis.

Now is not the time to force the Postal Service to raise prices on its package delivery services business by changing costing rules or separating business lines within the Postal Service. Such changes would harm, not help, consumers and businesses, especially those in rural and remote areas of the country where the Postal Service is the only affordable delivery alternative. The only beneficiary of such policy changes would be private express companies who operate in competition with the Postal Service.

In this time of crisis the Administration should be doing all it can to help sustain the Postal Service as a critical element of our national economic infrastructure and supply chain.

Sincerely,

A handwritten signature in black ink that reads "John M. McHugh". The signature is written in a cursive style with a large initial "J" and "M".

John M. McHugh  
Chairman, The Package Coalition  
Secretary of the Army, 2009-2016  
Member of Congress, 1993-2009

cc: U.S. Postal Service Board of Governors  
Postmaster General of the United States