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DEMOCRATIC STEERING AND POLICY COMMITTEE

Congress of the United States House of Representatives

August 16, 2021

President Joseph Biden
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear President Biden:

A blockbuster report last week revealed that the United States Postal Service (USPS) had awarded a \$120 million contract to XPO Logistics, a company formerly led by U.S. Postmaster General Louis DeJoy. This agreement comes to light as DeJoy pursues a disastrous plan to remake the Post Office while under federal criminal investigation himself. As these revelations further undermine public confidence in USPS, I again urge you to take decisive action by removing members of the postal Board of Governors who continue to support DeJoy's tenure before it's too late.

At present, DeJoy's family business still leases four office buildings to XPO, which could net DeJoy businesses \$23.7 million in rent payments over the next decade.¹ Sustaining the conflicts of interest rampant under your predecessor, DeJoy is financially benefiting from the Post Office – all while he is already the subject of a separate FBI probe into possible campaign finance crimes.² Meanwhile, DeJoy continues to helm USPS and is pursuing an organizational scheme that could further enfeeble the Post Office as it struggles to survive.

DeJoy's ten-year plan would institute slower delivery standards for 30% (roughly 5 billion pieces annually) of first-class mail, while increasing the price for postage. A scathing report issued by the independent Postal Regulatory Commission found DeJoy's plan not backed up evidence, unlikely to fix USPS's finances, and unresponsive to customer concerns. In an extraordinary public comment last week, postal board member Ronald Stroman assailed DeJoy's plan as "strategically ill-conceived" and likely to create "dangerous risks [un]justified by the relatively low financial return" that will "disproportionately impact our seniors, middle-and-low-income Americans and small businesses who are our most loyal customers."³

¹ <https://www.washingtonpost.com/business/2021/08/06/usps-dejoy-xpo-logistics/>

² Matt Zapotosky and Jacob Bogage, "FBI investigating Postmaster General Louis DeJoy in connection with past political fundraising," Wash Post. (June 3, 2021), https://www.washingtonpost.com/national-security/louis-dejoy-fbi-investigation/2021/06/03/4e24e122-c3d3-11eb-93f5-ee9558eef4b_story.html

³ "The Postal Service Presses Forward With Unpopular Plan To Slow Some Mail Delivery," NPR (Aug. 6, 2021), <https://www.npr.org/2021/08/06/1025488630/the-postal-service-presses-forward-with-unpopular-plan-to-slow-some-mail-deliver>

Mr. Stroman’s courageous leadership brings credit to him and to your administration, and lays bare the failure of board members who inexplicably support DeJoy. This past winter, as the on-time rate for first-class mail had cratered to a meager 38%⁴, the five Trump-appointed board members penned an op-ed in sycophantic support of DeJoy and his then forthcoming ten-year plan.⁵ This group includes board chairman Ron Bloom. A new *Washington Post* piece on Friday reported that since June 2020, DeJoy has invested up to \$305,000 through Brookfield Asset Management, where Mr. Bloom serves as Vice Chairman and Managing Partner.⁶

The cloud enveloping USPS threatens to erase the public’s already strained confidence in our sacred institution. The Post Office has already been implicated in Donald Trump’s unsuccessful assault on American democracy. Last year, DeJoy presided over the dismantling of mail sorting machines, cutting employee overtime, and removal of mailboxes that slowed mail delivery to a crawl as Trump openly confessed efforts to make it harder for USPS to process mail-in ballots. On August 14, 2020, I filed a complaint with our state’s Attorney General calling on him to seek indictments against Trump and DeJoy for election subversion.⁷ It was only through the dedication of rank-and-file postal employees, congressional oversight and public outrage that this scheme was unsuccessful.

Despite the litany of public abuses, staggering malfeasance, and shameful tribulations, every member of the postal board of governors appointed before your inauguration has remained silent or in support of DeJoy’s catastrophic management. Your power to remove postal governors “for cause” is absolute.⁸ It would be difficult to identify clearer cause than the refusal of board members to protect USPS from chaos and ruin. Each legacy board member should be fired and then DeJoy shown the door before the damage they are inflicting becomes irreversible.

The window to act is short. There is perhaps no body more trusted by the public and upon which more Americans rely every day. That trust and that agency have been frayed. Americans’ faith in their Post Office must be restored. Please continue to fight to save our Post Office.

Sincerely,



Bill Pascrell, Jr.
Member of Congress

⁴ Jacob Bogage and Hannah Denham, “Postmaster general’s new plan for USPS is said to include slower mail and higher prices,” *Wash. Post* (Feb. 12, 2021), <https://www.washingtonpost.com/business/2021/02/12/dejoys-new-plan-usps-slower-mail-higher-prices-sources-say/>

⁵ “USPS Board of Governors: We’re applying lessons from the election and the holiday season,” *USA Today* (Feb. 3, 2021), <https://www.usatoday.com/story/opinion/todaysdebate/2021/02/03/usps-applying-lessons-election-holiday-season-editorials-debates/4382093001/>

⁶ <https://www.washingtonpost.com/business/2021/08/13/dejoy-usps-bloom-bonds-brookfield/>; <https://pascrell.house.gov/uploadedfiles/dejoyfilings.pdf>; <https://about.usps.com/who/leadership/board-governors/ron-bloom.htm>

⁷ “Pascrell Makes Criminal Referral of Trump, DeJoy for Election Subversion,” <https://pascrell.house.gov/news/documentsingle.aspx?DocumentID=4428>

⁸ 39 U.S.C. § 202(a)(1).