

Opening Statement of Robert G. Taub

Nominee, Commissioner, Postal Regulatory Commission

November 15, 2016

Mr. Chairman, Ranking Member Carper, and distinguished members of the Committee, I want to thank you for the opportunity to appear before you today, and for your consideration of my qualifications to be a Commissioner of the Postal Regulatory Commission for a second term. I would like to thank President Obama for the opportunity he has afforded me through this nomination, and I am honored by his trust.

I am pleased that many of my family, friends, and colleagues are here, and I am grateful for the support they have provided in my chosen career of public service. While I cannot acknowledge them all by name, I would like to introduce my dear wife Cynthia Taub. Our twin daughters are away at college and could not be here today to experience our Constitution in action. Also, my father and sister who traveled a distance from upstate New York to attend: my father Carlson Taub and my sister Beth Laddin. Like good families everywhere, all have lent me love, encouragement, and a good dose of understanding.

I would also like to acknowledge the other nominee on this afternoon's panel: my fellow Commissioner Mark Acton, nominated for another term on the Commission. I congratulate him for his selection and wish him well. I have known Mark for more than 15 years, and it is a pleasure to be with him today. Lastly, I would like to thank my New York Senator Kirsten Gillibrand for her kind and thoughtful statement of support for the hearing record.

When the Senate confirmed me as a Commissioner 5 years ago, I was serving as a senior executive in the Department of the Army as the principal civilian advisor to Secretary John McHugh, helping him oversee a workforce of more than 1.2 million people, and manage an annual budget over \$200 billion. I had arrived at the Army with Secretary McHugh, having served as his longtime Chief of Staff in the Congress as well as his leading staffer on postal issues within the House Oversight & Government Reform Committee. Like Secretary McHugh, over the course of my 30 years in public service, I have worked in bipartisan fashion to develop solutions to many public policy issues, particularly the challenges confronting our Postal Service.

The President designated me as head of the Commission nearly 2 years ago. During that time, the Commission has become even more efficient and effective in carrying out its mission as measured by budget savings and timeliness of work. The Commission has achieved improvements in its employees' satisfaction and engagement, as evidenced by the Federal Employee Viewpoint Survey results. The Commission has become a more frequently sought resource for postal expertise, particularly to the Congress. If confirmed, I would hope

to build upon these accomplishments to achieve further improvements in staff achievement, the timeliness and quality of work products, and the efficiency and effectiveness of agency operations.

On December 20, the Commission will begin what may be its most important work in its 46 year history: a statutorily mandated “10 year review” of the Postal Service’s price cap system, with unilateral authority to modify it or adopt an alternative system. Considering that the Postal Service’s consecutive net losses since 2007 has increased its cumulative net deficit to more than \$57 billion, the importance of this review cannot be overstated. The Postal Service’s total liabilities exceed the total value of its assets by more than \$53 billion. As I testified to the Committee in January, the Postal Service’s balance sheet must be fixed. With the growing liability of retiree health benefits, the inability to borrow for needed capital investments, and the continued loss of high margin First-Class Mail revenues, the important task of improving the financial condition of the Postal Service is daunting.

I want to assure this Committee that I appear here before you today with few delusions as to the difficulties that lie ahead. I believe I have a clear understanding of the serious and numerous challenges that face America’s postal system. The Commission has just issued its most recent 5 year review of the law with recommendations to improve it.

But the fact is, for all the challenges the Postal Service of the 21st century faces, it still retains an integral role as a key cog in how American businesses conduct their affairs and how Americans all across this land communicate. The Postal Service is the one government agency that touches every American on a daily basis; it is an organization that literally serves 155 million American households and businesses on a typical day. It facilitates trillions of dollars in commerce. For 241 years, our Postal Service has provided a service that American people and American businesses alike have come and grown to expect. Universal service at a uniform price, no questions asked. Very few in this country go to his or her mailbox or his or her local post office wondering if the mail will be there. It is always there. It has always been there. But the Postal Service is in a serious financial crisis that must be fixed.

If confirmed, I would welcome the opportunity to focus my executive and management skills on ensuring transparency and accountability of the Postal Service and fostering a vital and efficient universal mail system. I would bring to the job 30 years of public service achievement and experience, and I pledge to work with all stakeholders to address the current difficulties. There are no easy answers, but answer we must. And I promise you, if confirmed, my first priority will be, along with this Committee, the entire Congress, the President, and the other Commissioners, to engage in a constant search for the discovery and effective implementation of solutions. I am truly honored to be considered. Thank you.