

**Congress of the United States**  
**Washington, DC 20515**

March 18, 2021

The Honorable Joseph R. Biden  
President  
The White House  
1600 Pennsylvania Avenue N.W.  
Washington, D.C. 20500

Dear President Biden:

We write with great concern about the Postal Service's continued failure to meet its own standards of service, the repeated failure of the current Postmaster General (PMG) to effectively and appropriately engage Congress and other stakeholders, and the gross negligence of the current Board of Governors (BOG) in fulfilling its statutory responsibilities to run an effective Postal Service. We write to respectfully request your consideration in removing the six current Board members and replacing them with nominees of the caliber of your recent nominees for the three vacant board seats.

The Postal Service provides mail delivery to more than 159 million delivery points and operates more than 31,000 post offices nationwide.<sup>1</sup> Today, the Postal Service employs almost 497,000 career employees, 136,174 non-career employees, and is the foundation for a more than \$1.7 trillion mailing industry that employs more than 7.5 million people. In commitment of its mission, the Postal Service delivers 48% of the world's mail and operates a delivery vehicle fleet of 204,274.<sup>2</sup>

Under the tenure of this BOG, the Postal Service was blatantly misused by President Trump in an unsuccessful gambit to influence a presidential election, the Postal Service is currently failing to meet its own service standards with historically low rates of on-time delivery, and conflicts of interest appear to be a requirement for service.<sup>3</sup> Because of their lax oversight, many families struggling through the pandemic still await delivery of their stimulus checks, credit card statements, or event holiday cards.<sup>4</sup> The nonpartisan Postal Service Office of Inspector General found that the BOG allowed their hand-picked PMG to implement significant

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<sup>1</sup> United States Postal Service, *Fiscal Year 2019 Annual Report to Congress* (Dec. 27, 2019) (online at <https://about.usps.com/what/financials/annual-reports/fy2019.pdf>).

<sup>2</sup> *Id.*

<sup>3</sup> *Trump Admits to Blocking Postal Cash to Stop Mail In Votes*, Associated Press (Aug. 13, 2020) (online at <https://apnews.com/article/14a2ceda724623604cc8d8e5ab9890ed>); USPS PostalPro, *Resources Page* (online at <https://postalpro.usps.com/resources/operations/service-standards>) (accessed on Feb. 4, 2021).

<sup>4</sup> *Missing Mail: What's Behind the Delays*, NBCWashington (Jan. 25, 2021) (online at [www.nbcwashington.com/news/consumer/missing-mail-whats-behind-the-delays/2551222/](http://www.nbcwashington.com/news/consumer/missing-mail-whats-behind-the-delays/2551222/)).

operational changes in the milieu of the election and the pandemic without conducting any research into the impacts and ramifications of these changes.<sup>5</sup>

The entirely Trump-appointed Postal Service BOG has politicized the most beloved agency in the federal government and allowed its service standards to tank.<sup>6</sup> According to the Postal Service's own data, in December 2020, first-class mail on-time delivery rates averaged just 52.4% in the Northern Virginia Postal District (Capitol Metro Area), 55.1% in the Richmond Postal District (Capitol Metro Area), and 67.0% in the Appalachian Postal District (Eastern Area). The Postal Service leadership might argue these unacceptable on-time delivery rates are an unfortunate side effect of the COVID-19 pandemic. But if you compare these rates to those from March 14, 2020 to July 11, 2020 — the very start of the pandemic — when on-time delivery rates of first-class mail were 90.9% in the Northern Virginia Postal District, 90.3% in the Richmond Postal District, and 93.8% in the Appalachian Postal District, their excuses just do not hold water.

The Postal Service is in free fall, and until the February 24, 2021 House Committee on Oversight and Reform hearing, the BOG's only public statement has been to the media — stating that they are “tickled pink” with the new PMG.<sup>7</sup> Even more troubling is that, Mr. Ron Bloom, the current Chairman of the BOG, continued his support of PMG DeJoy, even when directly confronted with our many concerns about DeJoy's performance. The Board has remained silent in the face of catastrophic and unacceptable failures at a moment when the American people are relying on the Postal Service the most. It is time to remove all governors and start over with a board vested with the expertise and acumen this nation needs in its Postal Service leadership.

### **Silence in the Face of Continued Gross Mismanagement**

On May 6, 2020, the Postal Service BOG announced its selection of Louis DeJoy to serve as the 75<sup>th</sup> PMG, and on June 15, 2020, Mr. DeJoy was officially sworn in.<sup>8</sup> Postmaster General DeJoy's short tenure has been marked by controversy and poor service. Below is an abridged timeline of some key events that underscore our concerns about PMG DeJoy and the BOG's unwillingness to take action to save the struggling Postal Service.

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<sup>5</sup> USPS Office of Inspector General, *Deployment of Operational Changes* (Nov. 6, 2020) (online at [www.uspsoidg.gov/document/deployment-operational-changes](http://www.uspsoidg.gov/document/deployment-operational-changes)).

<sup>6</sup> USPS PostalPro, *Resources Page* (online at <https://postalpro.usps.com/resources/operations/service-standards>) (accessed on Feb. 4, 2021).

<sup>7</sup> Committee on Oversight and Reform, *Legislative Proposals to Put the Postal Service on Sustainable Financial Footing* (Feb. 24, 2021) (online at <https://oversight.house.gov/legislation/hearings/legislative-proposals-to-put-the-postal-service-on-sustainable-financial>); *USPS Governors Back Louis DeJoy, Say They are “Thrilled” With His Performance*, Washington Post (Sept. 9, 2020) (online at [www.washingtonpost.com/business/2020/09/09/louis-dejoy-usps-postal-board/](http://www.washingtonpost.com/business/2020/09/09/louis-dejoy-usps-postal-board/)).

<sup>8</sup> U.S. Postal Service, *Press Release: Board of Governors Announces Selection of Louis DeJoy to Serve as Nation's 75<sup>th</sup> Postmaster General* (May 6, 2020) (online at <https://about.usps.com/newsroom/national-releases/2020/0506-bog-announces-selection-of-louis-dejoy-to-serve-as-nations-75th-postmaster-general.htm>).

On July 14, 2020, internal communications to Postal Service managers reportedly urged them to restrict letter carrier movements, causing mail delivery delays.<sup>9</sup> The Postal Service told Congress that those documents were not official communications, yet many of the operational changes described in the documents were implemented.<sup>10</sup>

On August 7, 2020, PMG DeJoy, along with Chief Human Resources Officer Isaac Cronkhite, unveiled a sweeping reorganization. According to the new organizational chart, 23 postal executives were reassigned or displaced without forewarning or briefings to Members of Congress, stakeholders, or the public. The announcement stated that “these strategies are substantial and will fundamentally change how we run our business.”<sup>11</sup> News reports of mail and package delivery delays and other concerns increased in the announcement’s wake.<sup>12</sup>

On August 14, 2020, House Committee on Oversight and Reform Chairwoman Carolyn Maloney, House Speaker Nancy Pelosi, Senate Democratic Leader Chuck Schumer, Senate Committee on Homeland Security and Governmental Affairs Ranking Member Gary Peters, Committee on House Administration Chairperson Zoe Lofgren, and Senate Committee on Rules and Administration Ranking Member Amy Klobuchar sent a detailed, ten-page letter to the PMG requesting “additional information and documents regarding his policies and practices, the specific changes he was proposing, the rationale for those changes, and the potential impacts of those changes.”<sup>13</sup> The letter requested these documents by August 21, 2020.

On August 18, 2020, PMG DeJoy announced he would pause some of the operational changes, stating: “Retail hours at Post Offices will not change. Mail processing equipment and blue collection boxes will remain where they are. No mail processing facilities will be closed.

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<sup>9</sup> *Internal USPS Document Tells Employees to Leave Mail at Distribution Centers*, Washington Post (July 14, 2020) (online at [www.washingtonpost.com/context/internal-usps-document-tells-employees-to-leave-mail-at-distribution-centers/175dd1ae-e202-4777-877c-33442338d1cc/](http://www.washingtonpost.com/context/internal-usps-document-tells-employees-to-leave-mail-at-distribution-centers/175dd1ae-e202-4777-877c-33442338d1cc/)).

<sup>10</sup> Email from Sheila T. Meyers, Acting Vice President of Government Relations and Public Policy, U.S. Postal Service, to Staff, Committee on Oversight and Reform (July 15, 2020).

<sup>11</sup> Letter from Postmaster General Louis DeJoy, U.S. Postal Service, to Officers, U.S. Postal Service (Aug. 7, 2020) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/PMG%20Memorandum%20Organizational%20Structure%20%208-7-2020.pdf>).

<sup>12</sup> See, e.g., *Mail Delays Fuel Concern Trump Is Undercutting Postal System Ahead of Voting*, New York Times (July 31, 2020) (online at [www.nytimes.com/2020/07/31/us/politics/trump-usps-mail-delays.html](http://www.nytimes.com/2020/07/31/us/politics/trump-usps-mail-delays.html)); *Postal Service Warns 46 States Their Voters Could be Disenfranchised by Delayed Mail-in Ballots*, Washington Post (Aug. 14, 2020) (online at [www.washingtonpost.com/local/md-politics/usps-states-delayed-mail-in-ballots/2020/08/14/64bf3c3c-dcc7-11ea-8051-d5f887d73381\\_story.html](http://www.washingtonpost.com/local/md-politics/usps-states-delayed-mail-in-ballots/2020/08/14/64bf3c3c-dcc7-11ea-8051-d5f887d73381_story.html)); Kaiser Family Foundation, *Mail Delays Could Affect Mail-Order Prescriptions for Millions of Medicare Part D and Large Employer Plan Enrollees* (Aug. 20, 2020) (online at [www.kff.org/coronavirus-covid-19/issue-brief/mail-delays-could-affect-mail-order-prescriptions-for-millions-of-medicare-part-d-and-large-employer-plan-enrollees/](http://www.kff.org/coronavirus-covid-19/issue-brief/mail-delays-could-affect-mail-order-prescriptions-for-millions-of-medicare-part-d-and-large-employer-plan-enrollees/)).

<sup>13</sup> Letter from House Speaker Nancy Pelosi, Senate Democratic Leader Charles E. Schumer, Chairperson Zoe Lofgren, Committee on House Administration, Ranking Member Amy Klobuchar, Senate Committee on Rules and Administration, Ranking Member Gary C. Peters, Senate Homeland Security and Governmental Affairs Committee, and Chairwoman Carolyn B. Maloney, House Committee on Oversight and Reform, to Postmaster General Louis DeJoy, U.S. Postal Service (Aug. 14, 2020) (online at [www.speaker.gov/sites/speaker.house.gov/files/20200814\\_Letter\\_JointPelosiSchumerLofgrenKlobucharCBMPeters toPMGreElectionPrep.pdf](http://www.speaker.gov/sites/speaker.house.gov/files/20200814_Letter_JointPelosiSchumerLofgrenKlobucharCBMPeters toPMGreElectionPrep.pdf)).

And we reassert that overtime has, and will continue to be, approved as needed.”<sup>14</sup> The PMG stated that his proposed reorganization would continue.

On August 21, 2020, PMG DeJoy testified before the Senate Homeland Security and Governmental Affairs Committee where he:

- stated that the Postal Service would not reinstall mail sorting machines that had been removed as part of recent operational changes;
- confirmed that other recent operational changes have delayed mail and hurt people; and
- clarified that while some of the operational changes were paused, the reorganization of the Postal Service would move forward as planned.<sup>15</sup>

After the Senate hearing concluded, PMG DeJoy sent to Congress a response letter with a small production of documents. This production included only 14 pages relating to the “Expedited to Street/Afternoon Sortation” initiative. It did not include any analyses of PMG DeJoy’s operational changes before he made them or any assessments of the impacts and delays after they were implemented.<sup>16</sup>

On August 24, 2020, PMG DeJoy and the then-Chairman of the Postal Service Board of Governors, Robert Duncan, testified before the House Oversight Committee.<sup>17</sup> Prior to the hearing, the Committee on Oversight and Reform obtained an internal Postal Service document warning Mr. DeJoy about steep delivery performance declines and increasing delays nationwide over the last two months as a result of the changes he had implemented. The new document was a “PMG Briefing”—a presentation prepared directly for PMG DeJoy almost two weeks before his testimony before the House — on August 12. It warned that the Postal Service experienced a significant drop in service performance across the board — in First-Class, Marketing, Periodicals, and other categories.<sup>18</sup> During the hearing, PMG DeJoy admitted to contacts with

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<sup>14</sup> U.S. Postal Service, *Postmaster General Louis DeJoy Statement* (Aug. 18, 2020) (online at <https://about.usps.com/newsroom/national-releases/2020/0818-postmaster-general-louis-dejoy-statement.htm>).

<sup>15</sup> Senate Homeland Security and Governmental Affairs Committee, Testimony of Postmaster General Louis DeJoy, U.S. Postal Service, *Examining the Finances and Operations of the United States Postal Service During COVID-19 and Upcoming Elections* (Aug. 21, 2020) (online at [www.rev.com/blog/transcripts/senate-hearing-with-postmaster-general-louis-dejoy-august-21-transcript](http://www.rev.com/blog/transcripts/senate-hearing-with-postmaster-general-louis-dejoy-august-21-transcript)).

<sup>16</sup> Letter from Postmaster General Louis DeJoy, U.S. Postal Service, to House Speaker Nancy Pelosi, Senate Democratic Leader Charles E. Schumer, Chairperson Zoe Lofgren, Committee on House Administration, Ranking Member Amy Klobuchar, Senate Committee on Rules and Administration, Ranking Member Gary C. Peters, Senate Homeland Security and Governmental Affairs Committee, and Chairwoman Carolyn B. Maloney, House Committee on Oversight and Reform (Aug. 21, 2020) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2020-08-21.PMG%20DeJoy%20to%20Speaker%20Pelosi%20et%20al.%20on%20Document%20Production.pdf>).

<sup>17</sup> Committee on Oversight and Reform, *Hearing on Protecting the Timely Delivery of Mail, Medicine, and Mail-in Ballots* (Aug. 24, 2020) (online at <https://oversight.house.gov/legislation/hearings/protecting-the-timely-delivery-of-mail-medicine-and-mail-in-ballots>).

<sup>18</sup> U.S. Postal Service, *Service Performance Measurement: PMG Briefing* (Aug 12, 2020) ([www.courthousenews.com/wp-content/uploads/2020/08/PMG-Briefing.pdf](http://www.courthousenews.com/wp-content/uploads/2020/08/PMG-Briefing.pdf)).

Trump campaign affiliates and denied using bonuses to reimburse employees at his former company New Breed Logistics for their donations to the Trump campaign.

On September 2, 2020, Chairwoman Carolyn Maloney issued a subpoena compelling PMG DeJoy to produce a wide range of documents, including those previously requested and a list of all contacts with Trump campaign affiliates.<sup>19</sup> The Committee on Oversight and Reform continues to engage the Postal Service to acquire documents as part of its constitutional oversight duties.

On September 6, 2020, the Washington Post published findings that five former employees of PMG DeJoy at New Breed Logistics claimed that they were coerced to contribute to Republican political campaigns and, at times, were reimbursed for such donations through bonus payments from the company.<sup>20</sup> If true, these actions constitute a violation of federal and state laws.

On October 19, 2020, the Postal Service Inspector General released a report that examined PMG DeJoy's implementation of sweeping operational changes in the midst of the pandemic. The report stated:

No analysis of the service impacts of these various changes was conducted and documentation and guidance to the field around these strategies was very limited and almost exclusively oral. The resulting confusion and inconsistency in operations at postal facilities resulted in significant negative service impacts across the country. ... We also found that documentation of the operational changes provided to Congress and customers was generally accurate but incomplete....

While the Postal Service estimated work hour savings for many of the initiatives, it did not complete a study or analysis of the impact the changes would make on mail service prior to implementation. Further, the Postal Service did not pilot test or otherwise consider the impact of the changes even though critical employee availability issues were being felt as pandemic cases rose following the July 4 holiday weekend. Lastly, we noted that these initiatives were implemented quickly and were communicated orally, which resulted in confusion and inconsistent application across the country.<sup>21</sup>

In the wake of these management failures, on March 3, 2021, the PMG once again took unilateral action to announce "the next phase" of sweeping operational changes at the Postal

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<sup>19</sup> Subpoena of Postmaster General Louis DeJoy, U.S. Postal Service, from the Committee on Oversight and Reform (Sept. 16, 2020) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2020-09-02%20USPS%20Subpoena%20-%20Public.pdf>).

<sup>20</sup> *Louis DeJoy's Rise as GOP Fundraiser was Powered by Contributions from Company Workers Who Were Later Reimbursed, Former Employees Say*, Washington Post (Sept. 6, 2020) (online at [www.washingtonpost.com/investigations/louis-dejoy-campaign-contributions/2020/09/06/1187bc2c-e3fe-11ea-8181-606e603bb1c4\\_story.html](http://www.washingtonpost.com/investigations/louis-dejoy-campaign-contributions/2020/09/06/1187bc2c-e3fe-11ea-8181-606e603bb1c4_story.html)).

<sup>21</sup> USPS Office of Inspector General, *Operational Changes to Mail Delivery* (Oct. 19, 2020) (online at [www.uspsoig.gov/document/operational-changes-mail-delivery](http://www.uspsoig.gov/document/operational-changes-mail-delivery)).

Service.<sup>22</sup> The announcement included plans to consolidate Postal Service Districts, centralize certain marketing functions, and offer employees early retirement. These actions seem puzzling at a time when the Postal Service and the Board of Governors have claimed that chronic understaffing is the primary catalyst for the abysmal service standard rates.<sup>23</sup> Moreover, these changes were announced exactly one week after the House Committee on Oversight and Reform Hearing examining how to “Put the Postal Service on Sustainable Financial Footing.”<sup>24</sup> Despite having a perfect opportunity to vet these ideas with Members of Congress during hearing preparation or at the hearing itself, PMG DeJoy did not mention his intentions to begin implementation of these operational changes — once again failing to engage critical stakeholders, including Congress, unions, and postal customers. These continued and flagrant abdications of leadership require immediate action.

It is impossible to have faith in a BOG that remained silent in the wake of such scathing findings and continued failures. It is unconscionable that this Board could continue to support this PMG.

### **Continued and Self-Inflicted Nationwide Delays in Mail Delivery**

The implementation of PMG DeJoy’s operational changes at the Postal Service coincided with measurable mail delays across the country that have only gotten worse in recent months. PMG DeJoy has admitted that the operational changes have had “unintended consequences that impacted our overall service levels.”<sup>25</sup> These delays mean slower delivery times for critical items such as Social Security checks, veteran’s prescriptions, and unemployment benefits.

On August 22, 2020, the House Committee on Oversight and Reform released internal Postal Service documents indicating that PMG DeJoy was briefed about these nationwide delays on August 12, 2020. These documents also confirm that there has been a significant drop in service standards across the board since the beginning of July — including in First-Class, Marketing, Periodicals, and Priority Mail.

The Postal Service is responsible for delivering about 90% of all Department of Veterans Affairs mail order prescriptions to veterans. In 2019, more than 170 million prescriptions were

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<sup>22</sup> United States Postal Service, *Press Release: U.S. Postal Service Announces Next Phase of Organizational Changes Begun in August 2020* (Mar. 20, 2021) (online at <https://about.usps.com/newsroom/national-releases/2021/0303-usps-announces-next-phase-of-organizational-changes-begun-in-august-2020.htm>).

<sup>23</sup> *‘There’s No End In Sight’: Mail Delivery Delays Continue Across The Country*, National Public Radio (Jan. 22, 2021) (online at [www.npr.org/2021/01/22/959273022/theres-no-end-in-sight-mail-delivery-delays-continue-across-the-country](http://www.npr.org/2021/01/22/959273022/theres-no-end-in-sight-mail-delivery-delays-continue-across-the-country)).

<sup>24</sup> Committee on Oversight and Reform, *Legislative Proposals to Put the Postal Service on Sustainable Financial Footing* (Feb. 24, 2021) (online at <https://oversight.house.gov/legislation/hearings/legislative-proposals-to-put-the-postal-service-on-sustainable-financial>).

<sup>25</sup> *In new letter, USPS chief acknowledges ‘unintended consequences’ of recent policy changes*, CNN (Aug. 14, 2020) (online at [www.cnn.com/2020/08/14/politics/dejoy-usps-changes-2020-election/index.html](http://www.cnn.com/2020/08/14/politics/dejoy-usps-changes-2020-election/index.html)).

delivered by mail in the United States.<sup>26</sup> Recent reports suggest that mail-order prescription deliveries are on the rise, given the state lockdowns due to the coronavirus pandemic.<sup>27</sup>

According to the Disabled American Veterans, the Postal Service has been delayed in delivering mail order prescriptions by an average of almost 25% over the past year.<sup>28</sup> On September 9, 2020, Senator Warren and Senator Casey released a report detailing significant delays in the delivery of prescription drugs according to several major U.S. pharmacies.<sup>29</sup> According to the Senators' report, since the start of PMG General DeJoy's tenure "pharmacies and pharmacy benefit managers reported that average mail order drug delivery time has increased 18-32%," meaning that deliveries typically taking 2-3 days are now taking 3-4 days instead.<sup>30</sup> These delays pose serious health risks for individuals who receive their prescriptions through the Postal Service, particularly for those who suffer from chronic illnesses.

### **Rampant Conflicts of Interest**

In addition to our deep concerns about service standards and the intent to influence the presidential election, we are also disturbed by the staggering conflicts of interest presented by the Board of Governors and PMG DeJoy. Many of these conflicts of interest were investigated at length at the hearing Chairman Gerald E. Connolly led on September 14, 2020.<sup>31</sup>

Former BOG Chairman Robert Duncan is on the leadership board of two large political action committees (super PACs), prompting concerns about his role in politicizing the Postal Service during the election.<sup>32</sup> According to his own online biography, Governor William D. Zollars served as president and chief executive officer of YRC Worldwide, Inc., a company currently involved in a lawsuit with the Department of Defense for allegedly overcharging the

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<sup>26</sup> Kaiser Family Foundation, *Number of Mail Order Prescription Drugs Per Capita* (online at [www.kff.org/health-costs/state-indicator/number-of-mail-order-prescription-drugs-per-capita/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D](http://www.kff.org/health-costs/state-indicator/number-of-mail-order-prescription-drugs-per-capita/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D)) (accessed on Sept. 9, 2020).

<sup>27</sup> *Mail-Order Drug Delivery Rises During Coronavirus Lockdowns*, Wall Street Journal (May 12, 2020) (online at [www.wsj.com/articles/mail-order-drug-delivery-rises-during-coronavirus-lockdowns-11589281203](http://www.wsj.com/articles/mail-order-drug-delivery-rises-during-coronavirus-lockdowns-11589281203)).

<sup>28</sup> Disabled American Veterans, *Statement on USPS delays from DAV National Commander Stephen "Butch" Whitehead* (Aug. 17, 2020) (online at [www.dav.org/learn-more/news/2020/statement-on-usps-delays-from-dav-national-commander-stephen-butch-whitehead/](http://www.dav.org/learn-more/news/2020/statement-on-usps-delays-from-dav-national-commander-stephen-butch-whitehead/)).

<sup>29</sup> U.S. Senator Elizabeth Warren and U.S. Senator Bob Casey, *Rapidly Increasing Postal Service Delivery Delays for Mail-Order Prescription Drugs Pose Health Risks for Millions of Americans* (Sept. 2020) (online at [www.warren.senate.gov/imo/media/doc/Warren%20Casey%20Mail%20Order%20Drug%20Staff%20Report%20Final.pdf](http://www.warren.senate.gov/imo/media/doc/Warren%20Casey%20Mail%20Order%20Drug%20Staff%20Report%20Final.pdf)).

<sup>30</sup> *Id.*

<sup>31</sup> House Committee on Oversight and Reform, Subcommittee on Government Operations, *Postal Update* (Sept. 14, 2020) (online at <https://oversight.house.gov/legislation/hearings/postal-update>).

<sup>32</sup> *PAC Led by Postal Official Pours \$20 Million Into Rescuing Tillis*, The New York Times (Oct. 14, 2020) (online at [www.nytimes.com/2020/10/05/us/politics/super-pac-tillis-postal-service.html](http://www.nytimes.com/2020/10/05/us/politics/super-pac-tillis-postal-service.html)).

federal government millions of dollars.<sup>33</sup> YRC also received a \$700 million loan from the federal government in Summer 2020.<sup>34</sup>

Postmaster General Louis DeJoy held, at least through November 2020, a multimillion-dollar stake in his former company XPO Logistics, a U.S. Postal Service contractor. Ethics officials at the Postal Service approved this arrangement, which allowed PMG DeJoy to keep at least \$30 million and as much as \$75 million in XPO Logistics holdings.<sup>35</sup> PMG DeJoy appears to have divested himself from his shares of Postal Service contractor XPO, but it remains unclear whether he has made arrangements to repurchase those shares in the future. Additionally, Mr. DeJoy has recently purchased stock in pharmaceutical companies that rely on the Postal Service for their financial success, creating new concerns about conflicts of interest.<sup>36</sup>

Since Mr. DeJoy took over as PMG, XPO Logistics reportedly has seen an immense growth in U.S. Postal Service contracts. Reports found that XPO Logistics has been paid about \$14 million from the U.S. Postal Service, compared with \$3.4 million during the same time frame in 2019 and \$4.7 million in 2018.<sup>37</sup>

PMG DeJoy divested large amounts of Amazon shares on June 24, 2020, nine days after assuming his new role. That same day, he purchased back covered calls on his Amazon stock. At the House Committee on Oversight and Reform hearing on August 24, when pressed about his investments in Amazon, PMG DeJoy told Members that he did not own any financial interest in Amazon.<sup>38</sup>

As noted above, according to recent reports, Mr. DeJoy may have also violated campaign finance laws when he was Chief Executive at New Breed Logistics by pressuring his employees to make donations to Republican campaigns and then later reimbursing those donations through bonuses. In the years leading up to the sale of New Breed Logistics in 2014, company donations to federal and state GOP candidates exceeded \$1 million.<sup>39</sup>

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<sup>33</sup> U.S. Postal Service, *Postal Leadership*, (online at <https://about.usps.com/who/leadership/board-governors/william-zollars.htm>); *The Trump Administration Just Lent \$700 Million to a Truck Company Sued for Ripping Off Taxpayers*, CNN (July 1, 2020) (online at [www.cnn.com/2020/07/01/business/yr-federal-loan/index.html](http://www.cnn.com/2020/07/01/business/yr-federal-loan/index.html)).

<sup>34</sup> *Id.*

<sup>35</sup> *Financial Disclosures Reveal Postmaster General's Business Entanglements and Likely Conflicts of Interest, Experts Say*, CNN (Aug. 12, 2020) (online at <https://edition.cnn.com/2020/08/12/politics/postal-service-dejoy-conflicts-amazon-trades-xpo-stake/index.html>).

<sup>36</sup> Executive Branch Personnel Public Financial Disclosure Report: Periodic Transaction Report (OGE Form 278-T), Office of Government Ethics (Nov. 2, 2020).

<sup>37</sup> *Postal Service Has Paid DeJoy's Former Company \$286 Million Since 2013*, New York Times (Sept. 2, 2020) (online at [www.nytimes.com/2020/09/02/us/politics/louis-dejoy-usps-paid.html](http://www.nytimes.com/2020/09/02/us/politics/louis-dejoy-usps-paid.html)).

<sup>38</sup> Committee on Oversight and Reform, *Hearing on Protecting the Timely Delivery of Mail, Medicine, and Mail-in Ballots* (Aug. 24, 2020) (online at <https://oversight.house.gov/legislation/hearings/protecting-the-timely-delivery-of-mail-medicine-and-mail-in-ballots>).

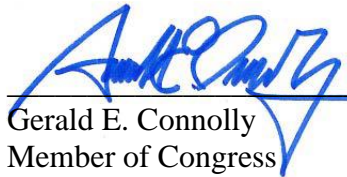
<sup>39</sup> *Louis DeJoy's Rise as GOP Fundraiser Was Powered by Contributions from Company Workers Who Were Later Reimbursed, Former Employees Say*, Washington Post (Sept. 6, 2020) (online at [www.washingtonpost.com/investigations/louis-dejoy-campaign-contributions/2020/09/06/1187bc2c-e3fe-11ea-8181-606e603bb1c4\\_story.html](http://www.washingtonpost.com/investigations/louis-dejoy-campaign-contributions/2020/09/06/1187bc2c-e3fe-11ea-8181-606e603bb1c4_story.html)).

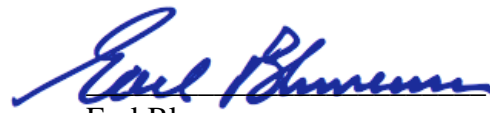



Walter Shaub, the former director of the Office of Government Ethics, said of Mr. DeJoy's investments: "The idea that you can be a Postmaster General and hold tens of millions in stocks in a Postal Service contractor is pretty shocking." Shaub also claimed that if PMG DeJoy fails to remove his investments from Postal Service contractors, it likely constitutes an illegal conflict of interest.<sup>40</sup>

For these reasons, we ask that you immediately remove the six current Postal Service Board of Governors and work with Congress to find the right people to perform these essential duties.

Sincerely,

  
Gerald E. Connolly  
Member of Congress

  
Earl Blumenauer  
Member of Congress

  
Bill Pascrell, Jr.  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Donald S. Beyer, Jr.  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jamaal Bowman, Ed. D.  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Brendan F. Boyle  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Cori Bush  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
André Carson  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Sean Casten  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
David N. Cicilline  
Member of Congress

<sup>40</sup> *Financial Disclosures Reveal Postmaster General's Business Entanglements and Likely Conflicts of Interest, Experts Say*, CNN (Aug. 12, 2020) (online at [edition.cnn.com/2020/08/12/politics/postal-service-dejoy-conflicts-amazon-trades-xpo-stake/index.html](https://edition.cnn.com/2020/08/12/politics/postal-service-dejoy-conflicts-amazon-trades-xpo-stake/index.html)).

\_\_\_\_\_/s/\_\_\_\_\_  
Steve Cohen  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jim Cooper  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Angie Craig  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jason Crow  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Danny L. Davis  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Peter A. DeFazio  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Debbie Dingell  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Adriano Espaillat  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Alcee L. Hastings  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jared Huffman  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Mondaire Jones  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Marcy Kaptur  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Ro Khanna  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Ann Kirkpatrick  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Raja Krishnamoorthi  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Barbara Lee  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Ted W. Lieu  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Alan Lowenthal  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Stephen F. Lynch.  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Carolyn B. Maloney  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Lucy McBath  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
A. Donald McEachin  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
James P. McGovern  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Kweisi Mfume  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jerrold Nadler  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Grace F. Napolitano  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Marie Newman  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Eleanor Holmes Norton  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Donald M. Payne, Jr.  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Chellie Pingree  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Stacey E. Plaskett  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Katie Porter  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Ayanna Pressley  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jamie Raskin  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Bobby L. Rush  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Mary Gay Scanlon  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jan Schakowsky  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Jackie Speier  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Dina Titus  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Paul Tonko  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Nydia M. Velázquez  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Debbie Wasserman Schultz  
Member of Congress

\_\_\_\_\_/s/\_\_\_\_\_  
Peter Welch  
Member of Congress