

Changes to Operational Transparency and Performance Measurement in the Postal Service Reform Act of 2022

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Postal reform has been a subject of [sustained congressional interest](#) for many years. The Postal Service Reform Act of 2022 (PSRA; P.L. 117-108) established statutory performance targets, the creation of a publicly accessible performance dashboard, and new financial and operational reporting requirements (Sections 201 and 207).

The PSRA was passed by the House on February 8, 2022, passed by the Senate on March 8, 2022, and signed into law on April 6, 2022. In addition to operational transparency and performance measurement, the PSRA [addresses many other topics](#), including the [financial condition of the U.S. Postal Service \(USPS\)](#) and health care benefits for [postal workers](#) and [retirees](#). The law also includes a number of alterations to the authority and [operations](#) of USPS and the [Postal Regulatory Commission \(PRC\)](#).

Postal Reform Legislation and Enacted Provisions

In passing the PSRA, Congress sought to improve the efficiency and performance of USPS. In particular, Senator Rob Portman [stated](#) that the legislation would help “ensure self-sustaining, high-quality postal service.” Among other subjects, the newly enacted PSRA includes two significant provisions relating to USPS operational transparency and performance:

1. “performance targets and transparency” ([Section 201](#)), and
2. “reporting requirements” ([Section 207](#)).

Section 201 requires USPS to establish and report on targets and actual performance in its efforts to meet service standards for [market-dominant products](#), such as first-class mail. The information is to be included in already existing periodic reports. In addition, performance information must be posted on a publicly available, searchable website and updated on a weekly basis. USPS is required to meet many requirements in establishing this “public performance dashboard” and to consult with both the PRC and the public in the website’s design. Additionally, the PRC is required to provide recommendations for any modifications to USPS’s measurement systems.

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Section 207 establishes additional reporting requirements for USPS regarding its operations and financial condition, to be provided every six months to the President, the PRC, and USPS's congressional authorizing committees. These semiannual reporting requirements will expire five years after the first report submission. Among other things, the legislation requires information to be provided regarding mail and package volume, the effects of pricing changes, certain USPS programs and services, the postal workforce, investments in equipment and infrastructure, and progress in meeting performance targets.

Background and Looking Ahead: Statutory and Administrative Context

With regard to USPS operational transparency and performance, a few topics may be highlighted to help provide context for the new provisions. Notably, the PSRA arrives in the wake of past postal reform measures such as the [Postal Accountability and Enhancement Act of 2006 \(PAEA\)](#). In addition, the PSRA may be viewed in context with other statutes and administrative developments.

As a threshold matter, the PAEA established [significant requirements](#) for USPS to report on its finances, risks, and operations. Specifically, Title 39, Section 3654 of the *United States Code* requires USPS to file [an annual report](#) with the PRC containing the information required for the Securities and Exchange Commission's [Form 10-K](#), a requirement that otherwise applies to most U.S. public companies. USPS's 10-K includes some information about how USPS assesses performance.

In addition, the [Government Performance and Results Act of 1993](#) included and [codified USPS-specific provisions](#) that require USPS to develop a [five-year strategic plan](#), an annual performance plan, and an annual performance report. In practice, USPS combines the annual documents [under one cover](#). These publications are required to include information about USPS's goals, performance measures, and program evaluations, albeit as an annual or multiyear snapshot in time.

In potential support of these efforts and ongoing operations, the PAEA [required USPS to establish service standards](#). For first-class mail, USPS [provides some information online](#) about service standards. USPS may also use administrative discretion to [change its strategies](#), including the recent archiving of its [FY2020-FY2024 Five-Year Strategic Plan](#) and [replacement in March 2021](#) with a [new 10-year plan](#).

Looking ahead, Congress may conduct oversight of these information sources and their implications for USPS operations. Using these information sources, Congress may choose to pass additional legislation that alters USPS service standards or operational strategies. Congress might also assess trade-offs—including among service timeliness, frequency, and cost—and the potential for perverse incentives.

The transparency and performance provisions of the PSRA constitute additions to a mosaic of information that is available to Congress, USPS's stakeholders, and the public. Congress might also consider options for exercising oversight over the implementation of the PSRA, including whether stakeholders view these performance measures as useful and appropriate.

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